

child labor, and to provide minimum wages, maximum hours, and other conditions of employment in said industry; to safeguard and promote the general welfare; and for other purposes; to the Committee on Labor.

By Mr. CROSSER of Ohio: A bill (H. R. 11771) to authorize the coinage of 50-cent pieces in commemoration of the Centennial Celebration of Cleveland, Ohio, to be known as the Great Lakes Exposition; to the Committee on Coinage, Weights, and Measures.

By Mr. JOHNSON of West Virginia: A bill (H. R. 11772) to extend the times for commencing and completing the construction of a bridge across the Ohio River at Sistersville, W. Va.; to the Committee on Interstate and Foreign Commerce.

By Mr. MOTT: A bill (H. R. 11773) to amend the Plant Quarantine Act of August 20, 1912; to the Committee on Agriculture.

By Mr. PEYSER: A bill (H. R. 11774) to amend the retirement laws affecting certain grades of Army officers; to the Committee on Military Affairs.

By Mr. SCOTT: A bill (H. R. 11775) to amend section 101 (12) of the Revenue Act of 1934; to the Committee on Ways and Means.

Also, a bill (H. R. 11776) to diminish unemployment through establishing the supplementary system of production and consumption for the unemployed known as reciprocal economy; to the Committee on Labor.

By Mr. THOMASON: A bill (H. R. 11777) to authorize the Secretary of War to set apart as a national cemetery certain lands of the United States military reservation of Fort Bliss, Tex.; to the Committee on Military Affairs.

By Mr. WERNER: A bill (H. R. 11778) to liquidate the liability of the United States for the massacre of Sioux Indian men, women, and children at Wounded Knee on December 29, 1890; to the Committee on Indian Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOYLAN: A bill (H. R. 11779) for the relief of Dominga Pardo; to the Committee on Claims.

By Mr. DOCKWEILER: A bill (H. R. 11780) for the relief of J. H. Bowling; to the Committee on Claims.

By Mr. EDMISTON: A bill (H. R. 11781) granting an increase of pension to Martha E. Watts; to the Committee on Invalid Pensions.

By Mr. ELLENBOGEN: A bill (H. R. 11782) to correct the record of Charles A. Gift; to the Committee on Naval Affairs.

By Mr. GRISWOLD: A bill (H. R. 11783) for the relief of William James Armstrong; to the Committee on Naval Affairs.

By Mr. HOPE: A bill (H. R. 11784) for the relief of Jack C. Collins; to the Committee on Military Affairs.

By Mr. MAPES: A bill (H. R. 11785) for the relief of Lewis Marion Hall; to the Committee on Naval Affairs.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 11786) granting a pension to Julian A. Myers; to the Committee on Invalid Pensions.

By Mr. OLIVER: A bill (H. R. 11787) for the relief of Mr. and Mrs. W. T. Warner; to the Committee on Claims.

By Mr. SCOTT: A bill (H. R. 11788) for the relief of certain eight lieutenants in the line of the Navy, and to correct certain injustices done them as a result of the act of May 29, 1934 (H. R. 9068); to the Committee on Naval Affairs.

By Mr. TAYLOR of Tennessee: A bill (H. R. 11789) granting a pension to Adam Anderson; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10512. By Mr. AYERS: Petition of Myron W. Danforth and 37 patrons and citizens of star route no. 63516, Montana; to the Committee on the Post Office and Post Roads.

10513. By Mr. GOODWIN: Petition of Moriah Grange, No. 1128, Moriah, N. Y., urging the passage of the bill placing a Federal tax on oleomargarine; to the Committee on Agriculture.

10514. By Mr. GUYER: Petition of citizens of Norton, Kans., petitioning the restoration of prohibition to the District of Columbia through the enactment of House bill 8739; to the Committee on the District of Columbia.

10515. By Mr. LAMNECK: Petition of Mrs. C. N. Greiner, president, Crestview Welfare Club, 60 Walhalla Road, Columbus, Ohio, and others, urging early action on the motion-picture bills before Congress; to the Committee on Interstate and Foreign Commerce.

10516. By Mr. PFEIFER: Petition of the Polish Aid Fund, Inc., Brooklyn, N. Y., concerning the Frazier-Lundeen workers' social insurance bill; to the Committee on Labor.

10517. Also, petition of the Young Men's Council of the United States, New York City, urging support of the Kramer bill and the Tydings-McCormack bill; to the Committee on Military Affairs.

10518. By the SPEAKER: Petition of the Kentucky Bar Association; to the Committee on the Library.

10519. Also, petition of the Board of County Commissioners of Ward County, N. Dak.; to the Committee on Ways and Means.

HOUSE OF REPRESENTATIVES

FRIDAY, MARCH 13, 1936

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, the Infinite One, we rejoice that Thou hast called Thyself Father, Friend, Savior, and Elder Brother. By these, Blessed Lord, we are taught of what Thou art; they disclose our relationship to Thee; glory be unto Thy Holy Name. We pray that we may be exultant in our faith, in our happiness, and in this personal alliance. Dwell in us, our Heavenly Father, quickening all the sources of our hope and courage. O Divine Spirit, we need Thee more than knowledge, temple, or creed, that we may become in all things more than conquerors—through Him who hath loved us! Let Thy holy precepts be felt in every realm of our activities, keeping our affections clean and clear. Hasten the glorious day, Father, when men shall labor for the bread that cometh down from heaven; when injustice shall prevail no more and truth and brotherhood shall bless our humanity throughout the world. In the blessed name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed without amendment joint resolutions of the House of the following titles:

H. J. Res. 443. Joint resolution to amend Public Resolution No. 31 of the Seventy-fourth Congress, first session, approved June 17, 1935, so as to extend its provisions to cover the National Boy Scout Jamboree now scheduled to be held in 1937; and

H. J. Res. 514. Joint resolution authorizing the completion of certain records and operations resulting from the administration of the Kerr Tobacco Act, the Bankhead Cotton Act of 1934, and the Potato Act of 1935 (repealed), and making funds available for those and other purposes.

The message also announced that the Senate had passed a bill and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 2288. An act to provide for the measurement of vessels using the Panama Canal, and for other purposes; and

S. J. Res. 223. Joint resolution relating to the employment of the personnel of the Agricultural Adjustment Administration in carrying out certain governmental activities.

REVISED STATUTES OF THE UNITED STATES

Mr. BLAND. Mr. Speaker, I ask unanimous consent to have recommitted to the Committee on Merchant Marine and Fisheries the bill (S. 2001) to amend section 4426 of the Revised Statutes of the United States, as amended by the act of Congress approved May 16, 1906, no. 454 on the Union Calendar and no. 371 on the Consent Calendar. This request is propounded by authority of that committee.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

COMMITTEE ON BANKING AND CURRENCY

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may sit during the sessions of the House until Monday next, and that they may have until Saturday midnight to make a report on the bill (S. 3998) to enable the Commodity Credit Corporation to better serve the farmers in orderly marketing, and to provide credit and facilities for carrying surpluses from season to season.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, may I ask if it is expected to take up the Commodity Credit Corporation bill today?

Mr. STEAGALL. We do not expect to call up that bill for consideration this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

DELIBERATE MISREPRESENTATIONS IN WASHINGTON NEWSPAPERS

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes to answer some misrepresentations in Washington newspapers and to defend the committee's action and report on the District of Columbia appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Mr. Speaker, I repeat what I said the other day, that when it comes to purveying general news the Washington Star is one of the best metropolitan newspapers in the United States. But concerning myself and the local tax situation in Washington, you cannot rely upon or believe anything you see in its columns. Because it has not been able to force me to stop my fight to compel it and the other newspapers in Washington to pay their own taxes, and I have made an uncompromising fight to repeal laws that make the people who live in the 48 States pay a large percent of the taxes of Washington people that ought to be paid by Washington people, and because it cannot influence and control me, the Washington Star and other Washington newspapers try every day in every way to discredit me. They distort and pervert every speech I make. They misrepresent everything I do or say. They never report me correctly. They try to belittle everything I accomplish. They abuse me continually. Because as chairman I handle an appropriation bill of 83 pages that is reported unanimously by a subcommittee and is approved by the unanimous vote of the full Committee on Appropriations, consisting of 39 Members, and the 83-page bill is passed by the House of Representatives without a single amendment by a vote of 290 for its passage and only 26 votes against it, the Washington Star and other newspapers here designated the bill as "Blantonism" simply because we reduced many scores of unconscionable large salaries that were being paid out of public relief money to persons who until they got on the official relief roll had never received one-third as much in their whole lives, and because we decreased and cut \$3,000,000 off of the gratuitous contribution the Federal Government has been making annually upon the civic expenses of the Washington people, which the Washington people themselves should pay, and they should not expect the already overburdened taxpayers in the States, after paying their own taxes, to pay on the taxes of Washington people.

INFLUENCED AN OLD RETIRED OFFICIAL TO IMPEACH HIMSELF

Tax Assessor William P. Richards has worked for the Government 45 years. He has been tax assessor of the District of Columbia during the past 27 years. He retired yesterday. His successor was sworn in today. Today for the first time in 45 years the Washington Star editorially calls Assessor Richards "a faithful public servant." Yesterday, on his retirement, the Washington Star was able to influence and cajole out of Assessor Richards a statement impeaching his own testimony and impeaching the testimony of Commissioner Hazen, president of the Board of District Commissioners, and impeaching the testimony of Auditor Donovan, and which statement the Washington Star knew was incorrect when it published same. But what cared the Washington Star? Was it concerned about truth or facts? Certainly not, because the statement it got out of the retired tax assessor seemingly denied facts stated in our committee report and my speech. I am going to prove beyond any doubt that the Washington Star, the Washington Herald, and the Washington Post all deliberately misrepresented the facts, and deliberately published untruths, when at the time they knew they were publishing incorrect and untrue statements.

MISREPRESENTATIONS BY WASHINGTON STAR

Yesterday afternoon, under large headlines running clear across the top of its front page of its Washington section, the Star printed the following:

SAYS FIGURES INCORRECT

BLANTON has repeatedly referred to what he called an "arbitrary" reduction of \$130,000,000 in the total of real-estate assessments. Richards today flatly denied the accuracy of that statement.

MISREPRESENTATIONS BY WASHINGTON HERALD

The Washington Herald this morning carried the following unjust attack:

BLANTON ASSAILED ON TAX CLAIM—RICHARDS CHARGES HE IS INACCURATE

Tax Assessor William P. Richards celebrated his last day in office yesterday by lashing at Representative THOMAS L. BLANTON, of Texas, who charged in the House Wednesday that District tax officials had violated the law requiring 100-percent assessment on real estate.

Richards declared BLANTON was inaccurate in his statement that property is assessed here below its fair value and that an arbitrary reduction of \$130,000,000 had been made in real-estate assessments.

MISREPRESENTATIONS BY WASHINGTON POST

The Washington Post this morning imposed upon its readers with the following:

OFFICIAL DENIES BLANTON CHARGE ON ASSESSMENT—STATEMENT LAW VIOLATED IS UNTRUE, SAYS RICHARDS AS HE QUILTS POST

William P. Richards celebrated his retirement as District assessor yesterday with a bristling reply to Representative THOMAS L. BLANTON (Democrat), of Texas, chairman of the House District Appropriations subcommittee, who had charged on the floor of the House that the law requiring 100-percent assessment of District real estate for taxation was ignored and violated.

Representative BLANTON's statement that assessments had been reduced arbitrarily by \$130,000,000 was not true, Richards said.

Were these three newspapers deliberately misrepresenting? Were they knowingly purveying as facts things they knew were untrue? Were they purposely and maliciously libeling me? Were they wrongfully trying to mislead Washington readers? Were they endeavoring to poison the minds of Washington people against the committee chairman handling the District bill? They were, beyond doubt, trying to do all of the above.

CANNOT WAIT FOR HEARINGS TO BE RELEASED

So anxious are these Washington newspapers to get the printed hearings on the District appropriation bill, they clamor for them just as soon as they are off of the press. They read every page and paragraph carefully in an attempt to discredit the committee. Not a sentence ever escapes their notice.

CONCLUSIVE REFUTING TESTIMONY OF COMMISSIONER HAZEN

Hon. Melvin C. Hazen is president of the Board of Commissioners, who run the government of the District of Columbia. When the hearings were held in March 1934 on the District appropriation bill for the fiscal year of 1935, Commissioner Hazen testified, and read a prepared state-

ment to the committee, at which time both Tax Assessor William P. Richards and Auditor Daniel J. Donovan were present listening and approving the statement of their chief, and I quote from Commissioner Hazen's testimony the following:

Commissioner HAZEN. The Commissioners would like to call attention to the fact that in the fiscal year 1934 the tax rate of \$1.70, which had been in effect during the fiscal years between 1928 and 1933, inclusive, has been reduced to \$1.50. This reduction represents a saving to taxpayers in the fiscal year 1934 of \$2,445,000.

Moreover, in the fiscal year 1934 the assessed valuation of real estate has been reduced by \$80,000,000—a saving to property owners of \$1,200,000. The District budget for the fiscal year 1935 is based upon continuing the \$1.50 tax rate in that fiscal year.

It is also contemplated that a further reduction in the assessed valuation of real estate of approximately \$50,000,000 will be made in 1935.

Commissioner Hazen was not being questioned by the committee. He was testifying from his prepared statement. His tax assessor was present, approving. His auditor, Major Donovan, was present, approving. You will note from the above testimony, that after asserting that the Commissioners for the fiscal year of 1934 had reduced the tax rate of \$1.70, which had been in force since 1928, to \$1.50 on the \$100, which for the fiscal year of 1934 gave a saving to Washington taxpayers of \$2,445,000, Commissioner Hazen testified clearly, distinctly, and unequivocally that in the fiscal year 1934 "the assessed valuation of real estate has been reduced by \$80,000,000, a saving to property owners of \$1,200,000."

You will also note that Commissioner Hazen then further testified clearly, distinctly, and unequivocally that "it is contemplated that a further reduction in the assessed valuation of real estate of approximately \$50,000,000 will be made in 1935." That was Commissioner Hazen testifying. He was giving us the facts. And Assessor Richards and Auditor Donovan were there listening, approving, and endorsing his statement.

REPEATED THE TESTIMONY AGAIN IN DECEMBER 1934

When hearings on the District appropriation bill for the fiscal year 1935 were held in December 1934, Commissioner Hazen again testified before the committee and was questioned about his arbitrary reduction in assessed valuation, and he then admitted that he had reduced the assessed valuation \$80,000,000 in 1934 and \$50,000,000 in 1935, making a total of \$130,000,000 reduction in assessed valuation of real estate during the 2 years, which was distributed generally, so that the property owners got the benefit of it. And he was questioned by me concerning this \$130,000,000 reduction in assessed valuation, and from the hearings I quote the following:

Mr. BLANTON. In the general statement that you made on March 7, 1934, before this subcommittee I quote from your statement on page 5 of the hearings. You call attention to the fact that the tax rate for the present fiscal year had been reduced to \$1.50, and then you use this language:

"Moreover, in the fiscal year 1934 the assessed valuation of real estate has been reduced by \$80,000,000, a saving to property owners of \$1,200,000." That is right?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. So that every property owner who had been rendering his property for taxes got the benefit of a decrease in the assessed value of his property?

Commissioner HAZEN. That is true. I would like to make one slight correction; probably not everyone, but it was general over the whole District.

Mr. BLANTON. It was general?

Mr. RICHARDS. Seventy-five percent.

Mr. BLANTON. But everyone was presumed to have received a decrease?

Commissioner HAZEN. It is supposed to be leveled over the entire District.

Mr. BLANTON. That is right; it was leveled over the entire District.

Mr. DONOVAN. They all got the benefit of the decrease in the tax rate.

Mr. BLANTON. And you did make another reduction, approximately \$50,000,000, in assessed values, as noted by the assessor, Mr. Richards, of 10 percent in the assessed valuation?

Mr. RICHARDS. Yes, sir.

Mr. BLANTON. And that was general all over the District?

Mr. RICHARDS. Yes, sir.

Mr. BLANTON. So that property owners generally got the benefit of that additional \$50,000,000 reduction?

Commissioner HAZEN. That is quite right.

Mr. BLANTON. Then this year and last year you have given the property owners in the District a reduction in assessed values of real estate of \$130,000,000, or 15 percent, have you not?

Commissioner HAZEN. Approximately; yes, sir.

Mr. BLANTON. With that \$1.50 tax rate, you stated in your preliminary general statement that you carried over from the last fiscal year to the present fiscal year a surplus of \$4,600,000?

Commissioner HAZEN. That is right.

Mr. BLANTON. And you say that you will inherit next July 1 a surplus of—

Commissioner HAZEN. \$2,450,000.

Mr. BLANTON. A \$2,450,000 cash surplus to help you on expenses?

Commissioner HAZEN. That is what our auditor says.

Mr. BLANTON. That is what you say?

Commissioner HAZEN. Yes.

ABOVE WELL KNOWN TO WASHINGTON NEWSPAPERS

The Washington Star, and all of the other Washington newspapers, are well acquainted with the above-mentioned facts, embraced in the testimony of Commissioner Hazen, Assessor Richards, and Auditor Donovan, who all took part, when such facts were given to the committee, and there is no occasion whatever for said newspapers to misrepresent such facts to other readers. We have no way of making them acquaint their readers with the above facts, but we can call them down from this floor when they misrepresent such facts.

REDUCTION OF \$130,000,000 IN ASSESSED VALUATION OF REAL ESTATE DURING 1934 AND 1935 ADMITTED AGAIN BY COMMISSIONERS ON FEBRUARY 6, 1936

When the hearings on the 1937 bill began on February 6, 1936, the following occurred, and I quote same from pages 7, 8, 9, and 10 of the hearings just recently printed, to wit:

COMMISSIONER HAZEN'S STATEMENTS ON TAX RATE AND ASSESSMENTS

Mr. BLANTON. Referring to the hearings on the 1935 bill, which were held in March 1934, I quote from your statement, Commissioner Hazen, as follows:

"Commissioner HAZEN. The Commissioners would like to call attention to the fact that in the fiscal year 1934 the tax rate of \$1.70, which had been in effect during the fiscal years between 1928 and 1933, inclusive, has been reduced to \$1.50. This reduction represents a saving to taxpayers in the fiscal year 1934 of \$2,445,000.

"Moreover, in the fiscal year 1934 the assessed valuation of real estate has been reduced by \$80,000,000—a saving to property owners of \$1,200,000. The District budget for the fiscal year 1935 is based upon continuing the \$1.50 tax rate in that fiscal year.

"It is also contemplated that a further reduction in the assessed valuation of real estate of approximately \$50,000,000 will be made in 1935.

"The Commissioners also invite attention to the recommendation under the chapter for the water service for a 25-percent reduction in water rates for 1935, and an increase in the metered allowance, now 7,500 cubic feet, to 10,000 cubic feet. This means a saving to water users of about \$600,000. In the fiscal year 1934 Congress allowed a discount of 10 percent of the amount of any bill for water charges paid within 15 days after the date of the rendition thereof. It is estimated that this will mean a saving of about \$100,000 to water users."

That was from your statement in March 1934, Mr. Commissioner. During the hearings on the 1936 bill, which were held in December 1934, certain testimony was given, from which, for the benefit of the hearings, I now quote:

"Mr. BLANTON. By a reduction in the assessed valuations of real estate to the extent of \$80,000,000, you meant that you distributed that over the general assessments?

"Commissioner HAZEN. Yes, sir.

"Mr. BLANTON. Then you further state:

"It is also contemplated that a further reduction in the assessed value of real estate of approximately \$50,000,000 will be made in 1935."

"Did you make that further reduction?

"Commissioner HAZEN. There was further reduction.

"Mr. BLANTON. And you did make another reduction, approximately \$50,000,000, in assessed values, as noted by the assessor, Mr. Richards, of 10 percent in the assessed valuations?

"Mr. RICHARDS. Yes, sir.

"Mr. BLANTON. And that was general all over the District?

"Mr. RICHARDS. Yes, sir.

"Mr. BLANTON. So that property owners, generally, got the benefit of that additional \$50,000,000 reduction?

"Commissioner HAZEN. That is quite right.

"Mr. BLANTON. Then this year and last year you have given the property owners in the District a reduction in the assessed values of real estate of \$130,000,000 or 15 percent, have you not?

"Commissioner HAZEN. Approximately; yes, sir.

"Mr. BLANTON. Then you also say:

"The Commissioners also invite attention to the recommendation under the chapter for the water service for a 25-percent reduction in water rates for 1935 and an increase in the metered allowance, now 7,500 cubic feet, to 10,000 cubic feet. This means a saving to water users of about \$600,000."

"That was provided?

"Commissioner HAZEN. Yes, sir.

"Mr. BLANTON. So that the property owners of the District got a saving of \$600,000 through a decrease in water charges?

"Commissioner HAZEN. Yes, sir.

"Mr. BLANTON. In addition to that \$600,000 decrease in water charges, they also got the benefit of the increased metered allowance of 2,500 cubic feet of water?

"Commissioner HAZEN. Yes, sir.

"Mr. BLANTON. Without extra charge?

"Commissioner HAZEN. Yes, sir.

"Mr. BLANTON. So that they got a double benefit in the matter of the water charges?

"Commissioner HAZEN. Yes, sir.

"Mr. BLANTON. Then you further say:

"In the fiscal year 1934 Congress allowed a discount of 10 percent of the amount of any bill for water charges paid within 15 days after the date of the rendition thereof. It is estimated that this will mean a saving of about \$100,000 to water users."

"That was a saving of \$100,000 additional, approximately?

"Commissioner HAZEN. Yes, sir.

"Mr. BLANTON. To water users here in Washington?

"Commissioner HAZEN. Yes, sir.

"Mr. BLANTON. It is a fact, Mr. Commissioner, that the tax rate this year, the fiscal year 1935, is only \$1.50 per hundred on real estate and only \$1.50 per hundred on personal property, is it not?

"Commissioner HAZEN. Yes, sir.

"Mr. BLANTON. There is no contemplation in the minds of the Commissioners to increase that tax for next year, 1936? You do not contemplate increasing it?

"Commissioner HAZEN. We do not contemplate increasing it.

"Mr. BLANTON. With that \$1.50 tax rate, you stated in your preliminary general statement that you carried over from the last fiscal year to the present fiscal year a surplus of \$4,600,000?

"Commissioner HAZEN. That is right.

"Mr. BLANTON. And you say that you will inherit next July 1 a surplus of—

"Commissioner HAZEN. \$2,450,000.

"Mr. BLANTON. You have also, for this coming fiscal year, a trust fund, as you said in your general statement, of \$1,430,000.

"Commissioner HAZEN. Yes, sir.

"Mr. BLANTON. That is a fund to which you have access, which you get out of the Treasury, regardless of what Congress does in this bill, is it not?

"Commissioner HAZEN. Yes, sir.

"Mr. BLANTON. You have no income tax for the District of Columbia?

"Commissioner HAZEN. That is true.

"Mr. BLANTON. . . . The tax on intangibles in the District is now what, Mr. Donovan?

"Mr. DONOVAN. \$5 per thousand.

"Mr. BLANTON. That is one-half of 1 percent, is it not?

"Mr. DONOVAN. That is right.

"Mr. BLANTON. In the District of Columbia there is a gasoline tax of 2 cents a gallon?

"Commissioner HAZEN. Yes, sir.

"Mr. BLANTON. In the District of Columbia there is a license-tag tax that people pay in order to get their license plates each year. That amounts to only \$1 per car.

"Commissioner HAZEN. Yes, sir.

"Mr. BLANTON. That would be \$1 per car for an \$8,000 Rolls-Royce limousine as well as a dollar per car for a Ford or a Chevrolet?

"Commissioner HAZEN. Yes, sir.

"Mr. BLANTON. In the District of Columbia the average water tax per family is now approximately what?

"Mr. DONOVAN. It is about \$8.75.

"Mr. BLANTON. Was not that the tax before Congress reduced it?

"Mr. DONOVAN. It was that before Congress reduced it.

"Mr. BLANTON. But Congress reduced it?

"Mr. DONOVAN. You mean the 25-percent reduction?

"Mr. BLANTON. Yes.

"Mr. BLANTON. In the District of Columbia a man who built a house 25 years ago, and then paid for having his house connected with the sewer system of the District, has not in the last 25 years had to pay a single additional monthly service charge for sewers, has he?

"Commissioner HAZEN. No.

"Mr. BLANTON. And he will not have to pay any in the future, will he?

"Commissioner HAZEN. No, sir.

"Mr. BLANTON. Mr. Commissioner, you have been a public servant for a long time, and you are intimately acquainted with every detail of Washington business and history. On the whole, can you cite the people of any city of the United States who have better privileges, who are better cared for, than those in the city of Washington?

"Commissioner HAZEN. I think that it is the greatest city in the United States.

"Mr. BLANTON. And Washington people are better cared for, are least taxed, and have greater privileges than any other people in the United States?

"Commissioner HAZEN. I believe they do."

Mr. BLANTON. There is no local income tax here now?

Commissioner HAZEN. No, sir.

Mr. BLANTON. There is no local tax on inheritances?

Commissioner HAZEN. That is right, sir; there is not.

AMOUNT OF SURPLUS IN GENERAL, WATER, AND GASOLINE TAX FUNDS

Mr. BLANTON. You are acquainted with the four Mapes bills?

Commissioner HAZEN. Yes, sir; somewhat.

Mr. BLANTON. One of those bills has for its purpose to increase the gasoline tax from 2 to 4 cents, to make it comparable with the gasoline tax in other cities.

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. Has that bill the approval of the Commissioners? The answer to my question could be very short, whether you are in favor of it or against it.

Commissioner HAZEN. The answer is that we have a surplus, and we did not feel we could justifiably increase taxes so long as we had a surplus.

Mr. BLANTON. And it is because you have a large surplus—\$3,059,748.70—that you are against that increase of gasoline tax bill?

Commissioner HAZEN. We have to consider the surplus.

Mr. BLANTON. What surplus do you expect to have in the general fund on July 1?

Commissioner HAZEN. \$1,992,748.70.

Mr. DONOVAN. That is only in the general fund.

Mr. BLANTON. That is in the general fund. Now, what about the water fund?

Commissioner HAZEN. In the water fund we will have \$504,000?

Mr. BLANTON. And in your gasoline-tax fund?

Commissioner HAZEN. \$563,000.

Mr. BLANTON. So that aggregates a surplus of \$3,059,748.70 on July 1.

GASOLINE TAX IN VARIOUS STATES

Mr. BLANTON. Mr. Commissioner, I call attention to the gasoline tax that is now effective in the cities of various States:

Alabama, 6 cents; Arizona, 5 cents; Arkansas, 6 cents; Colorado, 4 cents; Florida, 7 cents; Georgia, 6 cents; Idaho, 5 cents; Indiana, 4 cents; Kentucky, 5 cents; Louisiana, 5 cents; Maine, 4 cents; Maryland, 4 cents; Nebraska, 4 cents; Nevada, 4 cents; New Hampshire, 4 cents; New Mexico, 5 cents; North Carolina, 6 cents; Ohio, 4 cents; Oklahoma, 4 cents; Oregon, 4 cents; Pennsylvania, 3 cents; South Carolina, 6 cents; Tennessee, 7 cents; Texas, 4 cents; Utah, 4 cents; Vermont, 4 cents; Virginia, 5 cents; Washington (State), 5 cents; West Virginia, 4 cents; Wisconsin, 4 cents; and Wyoming, 4 cents.

But in the District of Columbia the tax is 2 cents per gallon.

So that right over here across the river bridge, when you get into Virginia, the State gasoline tax is 3 cents more than it is in Washington, D. C.

Commissioner HAZEN. I think it is 5 cents in Virginia and 4 cents in Maryland.

Mr. BLANTON. But Maryland has an additional sales tax. I say, it is 3 cents more in Virginia, just across the bridge, than it is in Washington.

Commissioner HAZEN. In Virginia?

Mr. BLANTON. Yes; than it is in Washington.

Commissioner HAZEN. That is right.

Mr. BLANTON. And if you go out here to Chevy Chase, across the line into Maryland, the tax there is double what it is in Washington, 4 cents as compared to 2 cents, plus their sales tax.

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. And the cities in all of the States outside of Washington, D. C., instead of paying a license-tag tax of a dollar pay many times that; you realize that?

Commissioner HAZEN. Yes.

Mr. BLANTON. In other words, in some States they pay \$10 and \$12 on a Ford or Chevrolet, while in Washington you pay only a dollar even on a \$10,000 Rolls Royce.

The Mapes bill proposes to increase that charge, does it not?

Mr. DONOVAN. The Mapes bill calls for a weight tax.

Mr. BLANTON. There is a personal tax in all of those States, the same as any other personal-property tax.

Mr. DONOVAN. The Mapes bill proposes a weight tax in lieu of the present personal tax and the dollar tag charge.

Mr. BLANTON. Yes; that is a good idea. But you do recognize that, if you needed it, you have a great potential source of revenue in an increase of your gasoline tax comparable to that in other cities, and also in the increase of your license-tag tax; do you not?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. But you do not care to pursue that, because you have a \$3,000,000 surplus.

Commissioner HAZEN. Well, Mr. Blanton, I would say that if we can build a high-level bridge above the Chain Bridge, which would cost \$1,500,000, we will need that as soon as we get authorization for that project, and many other projects which we have in mind will make it necessary for us to have this surplus, and we would need the increase and I would be strongly in favor of it. I am referring to the Pennsylvania Avenue Bridge, also. But we have not authority to build either of those big, expensive bridges. Each bridge will cost a million and a half. As soon as we get authority to do it, I should certainly be in favor of an increase.

CHAIN BRIDGE AND PENNSYLVANIA AVENUE BRIDGE BOTH PROVIDED BY COMMITTEE

We called Commissioner Hazen's bluff, Mr. Speaker, for our committee allowed both the Chain Bridge and the Pennsylvania Avenue Bridge, and the House of Representatives approved our action. Hence it is now up to the Commissioners to raise the tax rates here to an amount comparable with that paid by the people elsewhere in the United States.

SHOULD RETURN BACK TO THE \$1.70 ON THE \$100

The rate from 1928 to 1934 was \$1.70 on the \$100. In 1934 the Commissioners reduced the rate from \$1.70 to only \$1.50 on the \$100. Yet they have nevertheless been piling up big surpluses every year, due to the fact that the United States Government under the insistent demand of the Senate has been allowing the District of Columbia a big Federal contribution each year out of the people's Treasury.

NO OTHER COMPARABLE CITY HAS A RATE AS LOW AS \$1.70 PER \$100

The rate of \$1.70 is not high. No other comparable city has a rate so low. There is no excuse whatever for the Commissioners not going back to the rate of \$1.70 which was in force from 1928 to 1934. There is no State tax here. There is no county tax here. There is no special school tax here. There is no special courthouse or jail tax here. There is no special water-system tax here. There is no income tax here. There is no estate tax here. There is no inheritance tax here. There is no gift tax here. There is no sales tax here. The tax on intangibles is only one-half of 1 percent. The gasoline tax is only 2 cents. The auto-license tag tax is only \$1 per year, whether it is a \$12,000 Rolls Royce or a Ford. All personal libraries, whether worth \$10 or \$500,000, are exempt from taxation. There are many libraries here worth over \$100,000. All wearing apparel here is exempt from taxation, and some rich families here have thousands of dollars worth of wearing apparel. Household furniture to the extent of \$1,000 is exempt to every family free from taxation. The water rate here, with 10,000 cubic feet allowed, costs only \$6.60 per year for the average family. There is no monthly charge for sewer service, for after it is once installed in a residence, and then only part of the cost is paid by the owner, there is thereafter no charge made for sewer service. Without additional charge all trees in front of and around residences are furnished free, planted free, cared for free, and are sprayed, pruned, and replaced to citizens of Washington. No charge whatever is made against property owners for repairing or replacing paved sidewalks or streets abutting their property. It is time for the Commissioners of the District to give some thought to making the people of Washington pay some of the taxes that people elsewhere in the United States have to pay, and for the Washington newspapers not to expect the overburdened taxpayers of the United States, after paying their own taxes, to then pay part of the taxes of the people of Washington.

EUGENE MEYER OFFERED \$5,000,000 FOR WASHINGTON POST

On pages 3363-3365 of the CONGRESSIONAL RECORD for Thursday, March 5, 1936, I quoted from the hearings of our committee on the 1937 supply bill, the evidence of Col. Julius Peyser and others showing that after Eugene Meyer offered \$5,000,000 for the Washington Post, and did not get it, thereafter David Lawrence entered into a written contract agreeing to pay \$3,000,000 for the Washington Post, which was not consummated, and then Eugene Meyer conspired with others in getting the Post into a receivership, and through a dummy bought it in for \$825,000, assuming its indebtedness, and then improved it, and now renders the entire properties, including \$320,260 tangible personal property, and \$218,456 of intangibles, for a total assessed value of only \$556,576, upon which at the rate of only \$1.50 per \$100, and only one-half of 1 percent on intangibles, he pays a tax of only \$7,663 per year.

MRS. EDWARD P. McLEAN OFFERED \$2,500,000 FOR POST

The Washington Post was the heritage of the McLean family. When Edward McLean became mentally afflicted they were hornswoggled out of it. Mrs. McLean tried to save it for her boys. Here is what she says about it, and what Colonel Peyser said about suit in equity and Corcoran Thom's willingness for it to be taken over by Eugene Meyer:

FRIENDSHIP, February 7, 1936.

HON. THOMAS L. BLANTON.

DEAR MR. CONGRESSMAN: I am giving you this information at your request for the use of your committee.

I offered the American Security & Trust Co. in writing and through my lawyers my real-estate lots in Washington known as the Oxford corner, which was at that time unencumbered, with no mortgage or lien against it, in exchange for the Washington Post. At one time I refused a cash offer for this property of \$2,500,000.

At one time I refused a cash offer for this property of \$2,500,000, and it is now assessed, I believe, at around \$1,400,000. Later I again offered the same property after I had put a mortgage on it of less than \$100,000.

At the public sale I had my lawyers bid to the extent of my resources. It was my desire and dream to keep the Post in the family for my three children, but fate was against me.

Sincerely yours,

EVELYN McLEAN.

Mr. PEYSER. Fate was not against her. Mr. Thom was against her. The answer to her proposition. The John R. McLean estate had sufficient money on hand, assets, to pay off the debts of the Washington Post if they wanted to. They had paid off the debts of the Cincinnati Enquirer and had paid other debts on property and made a loan on the Vermont Avenue property, and could very easily have paid the International Paper Co. and the other miscellaneous debts if they desired.

Mr. JOHNSON. Let me ask you this question: Could they have paid those debts at the time the suit was filed?

Mr. PEYSER. Oh, easily. It would not have been any trouble.

Washington Post pays only \$1,203 for 2,290,000 cubic feet of water for its big plant in Washington per annum. Because the Washington Post will not publish any of the facts about its own nominal taxes, I want to again call the attention of my colleagues and the country to just how little taxes Eugene Meyer and his wife pay on their own properties.

EUGENE MEYER

Now, personally, Mr. Eugene Meyer, the owner of the Washington Post, in the way of taxes pays only the water rent on his wife's fine residence properties of \$53.92 per year for 97,300 cubic feet of water. He renders a fine Packard family car, upon which he pays an annual tax of only \$29.92, plus \$1 for license tags.

For last year he rendered three Plymouth cars, one Witt-Will car, one Dodge, one Chevrolet, and one Ford, upon which he paid total taxes on all seven of them of \$45.67, plus \$7 for license-number tags for all of them. This year only six automobiles are rendered.

Eugene Meyer's residence is in his wife's name, Mrs. Agnes Meyer, situated on lot 806, square 2568, the land being rendered at \$79,797, and the improvements at \$138,000, or a total of \$217,797, and then she has 12 other lots rendered in her name connected with her residence and running to Sixteenth Street, rendered at \$72,826, totaling \$287,623, upon which the total tax paid on their family real estate is \$4,314.35, and the value of her intangibles is \$608, and the tax on her intangibles is \$3.04.

Her tangible personal property is rendered at \$30,000, and the tax on same is \$450, or her total tax was \$4,767.39 last year.

The following is Eugene Meyer's rendition of automobiles for this year.

STATEMENT BY TAX ASSESSOR, FEB. 3, 1936

Eugene Meyer & Co., doing business under the name of the Washington Post, 1337 E St. NW., Washington, D. C., 1936 registrations

Make, model, and year	Serial no.	Engine no.	Assessed value	Tax	Registration fee	Weight, pounds
Passenger:						
Ford tudor sedan, 1936.		18-2350668.	\$560	\$8.40	\$1	
Plymouth tudor sedan, 1933.	1831551.	PC-90596	215	3.22	1	
Plymouth delivery coupe, 1933.	2068931.	PD-72946	225	3.37	1	
Plymouth business coupe, 1934.	2290103.	PP-114623	315	4.72	1	
Ford standard coupe, 1934.		18-654141.	280	4.20	1	
Commercial: Witt-Will truck, 1929.	1004.	16C8570.		1.00	1	1,100
Total			1,662	24.91	6	

Here is the personal-tax rendition of Mr. Floyd R. Harrison, comptroller of the Washington Post. He renders no

return on real property; he renders no personal property; he renders no property of any kind and pays no taxes. But there is a mandamus pending against him now.

As to that I quote from the hearings:

Mr. RICHARDS. We tried to get him to make a return on his personal property.

Mr. BLANTON. You tried to get him to make a return and he would not do it?

Mr. RICHARDS. Yes.

Mr. BLANTON. And you have a mandamus proceeding against him?

Mr. RICHARDS. We are trying to make him do it, and he will do it before we get through, too.

Mr. BLANTON. I assume that the comptroller of the Washington Post ought to have some property, and ought to pay some taxes.

DAVID LAWRENCE

For instance, let us take Mr. David Lawrence—editor of the United States News—whose residence is at 3900 Nebraska Avenue, its assessed value being \$133,390, upon which he pays an estate tax of \$2,000.88 annually.

He has tangible personal property assessed at \$3,000, upon which a tax of \$45 is paid, and he has intangibles assessed at \$216, on which a tax of \$1.08 is paid. He pays an annual water rent of \$24.49 for his fine \$133,390 residential property.

Mr. Lawrence is shown by a recent statement in the Washington papers to have received an annual salary or income last year of \$18,700. He renders a Cadillac automobile, for which he pays a personal tax of \$1.80, and he also pays \$1 for the annual license tag on his Cadillac automobile.

THEODORE NOYES

Then there is Mr. Theodore Noyes, who is one of the officials and part owner of the Washington Star. He is the chairman of the board of the Washington Star, and the newspapers here the other day stated that his salary or income last year was \$42,120.

Personally he renders his residential property at 1730 New Hampshire Avenue NW. at an assessed value of \$65,500, upon which he pays an annual tax of \$982.50.

He has tangible personal property assessed at \$7,500, upon which he pays a tax of \$110.50.

He renders intangible property aggregating \$621,520, upon which he pays a tax of \$3,107.60, which is at the rate of one-half of 1 percent for intangibles.

He renders for taxes two family automobiles, an Auburn and a Lincoln, upon which he pays a personal tax on those two automobiles aggregating \$57.75 per annum.

His annual water rent is only \$23.05 on his fine residential property.

THE WASHINGTON STAR

Now, this Washington Star, owned by Theodore Noyes, Frank B. Noyes, and Fleming Newbold, renders 1 lot at \$59, 1 lot at \$371, 1 lot at \$372, 1 lot at \$379, and 13 lots at \$792 each, and renders 18 other lots, when lot 31 in square 737 and improvements thereon alone is worth \$200,000, and lot 19 in square 322 with improvements thereon is worth \$1,750,000, yet it renders all of its real estate at a total assessed valuation of \$2,249,586, upon which it pays an annual tax of only \$33,743.80. In 1933 its real estate was assessed at \$2,262,639. The Washington Star renders tangible personal property at an assessed value of \$453,092, upon which it pays an annual tax of \$6,796.38. It renders intangible property at an assessed value of \$2,296,512, upon which at the low tax rate of one-half of 1 percent it pays an annual tax of only \$11,482.56. Just think how very much more it would have to pay if it paid like other newspapers and citizens pay in other comparable cities of the United States. It means a saving of many, many thousands of dollars to it annually, by keeping the tax rate so low here in Washington. It pays only \$853.14 per year for 1,622,000 cubic feet of water for its immense plant. Last year it had 84 automobiles, upon which it paid a total tax of only \$3,791, notwithstanding many of them were fine, large, expensive trucks, and to get license tags and registration for them it cost the Star only \$1 per car, or \$80 for the 80 automobiles.

TAXES OF ONLY \$2.97 PAID ON TWO PACKARD AUTOMOBILES

Mr. Fleming Newbold is the business manager of the Washington Star. His two family automobiles are both Packards, yet on the two of them he pays only \$2.97 annual taxes. This business manager of the Washington Star pays only \$1 per year for registration and license-number tags on each of his Packard limousines. Is not that ridiculous? There is no other city in the United States that would permit it. This business manager of the Washington Star renders for taxes intangible property at an assessed value of \$40,728, upon which he has to pay an annual tax of only \$203.64, because the rate here is only one-half of 1 percent—cheaper than the rate in any other city in the whole United States—and he gets away with it because this is the Nation's seat of government; and his big \$5,000,000 newspaper, by condemning every Congressman who dares to oppose it, has been able to influence Congress each year to provide a large Federal contribution out of the people's Treasury to pay much of the local civic expenses here that ought to be borne by Washington people; and he and his Washington Star and other Washingtonians are thus relieved of paying a just and fair tax that the people everywhere else in the United States have to pay.

This business manager of the Washington Star has his family library exempt from taxes, no matter how much money it is worth. He has his family wearing apparel exempt from taxes, no matter how much money it is worth. He has \$1,000 of household furniture exempt from taxes. He renders all of his tangible personal property at an assessed valuation of only \$4,500, upon which he pays an annual tax of only \$67.50. This business manager of the Washington Star renders his fine residential property at 1720 Massachusetts Avenue NW. at an assessed value of only \$31,543, upon which he pays an annual tax of only \$471.82. He has his water for his above properties furnished to him for the nominal charge of only \$10.45 per year, less than a dollar per month. Where in the United States, outside of Washington, would this business manager of the Star be able to pay such nominal taxes on his properties? He cannot find another city in the United States that would let him get away with it. Yet his salary, or net income, last year was \$31,543, as published recently by several Washington newspapers. Here in Washington he pays only 2 cents gasoline tax. He pays no income tax. He pays no estate tax. He pays no inheritance tax. He pays no gift tax. He pays no sales tax. Yet people in some other nearby cities have all of these taxes to pay.

This business manager of the Washington Star has no county tax to pay. He has no State tax to pay. He has no special school tax to pay. He has no special courthouse or jail tax to pay. He has no special water tax to pay. Yet citizens in other cities of the United States have to pay all of the above taxes in addition to their city tax. He pays only one tax on real estate, and that is \$1.50 per \$100, or \$15 on the \$1,000, with the property here in Washington generally assessed at about one-half of its real value. This business manager of the Washington Star has no sewer-service charge to pay each month. Not since sewer connection was first installed in his residence, and then at less than its cost, has he paid one cent for sewer service throughout all the years he has occupied his residence. He paid not one cent extra for the trees contiguous to his property. They were furnished without charge to him, were planted without charge to him, were protected with lumber frames around them until their growth started, have been pruned every year, have been sprayed every year, and have been replaced when any have died, all without any charge to him, notwithstanding the fact that in every other city in the United States the owner of the property, in addition to his regular taxes, has to pay for all of the above services.

This business manager of the Washington Star has his ashes gathered free; he has his garbage gathered free; he has his trash gathered free, while in some cities citizens have to pay for these services in addition to their regular taxes. This Washington business manager of the Washington Star, Mr. Fleming Newbold, does not have to pay one cent for

repairing or replacing the sidewalks in front of and around his property, or for repairing or repaving the street contiguous to his property, while citizens of some other cities have to pay for such service in addition to their regular taxes. And what privileges this business manager of the Washington Star receives here in Washington at such nominal cost all of the other officials and owners of the Washington Star likewise receive in Washington. Yet they are always bellyaching because the Government does not pay more of their own civic expenses, which the people everywhere else in the United States pay for themselves.

FRANK B. NOYES

To give you the entire picture of the Evening Star, I will give you the taxes paid by Mr. Frank B. Noyes, president of the Evening Star. The Washington newspapers the other day stated that his annual salary or income last year was \$42,120.

Personally, Mr. Frank B. Noyes, president of the Washington Star, renders no real estate for taxes. He renders tangible personal property of \$20,000, upon which he pays an annual tax of \$300. He renders intangible property at \$92,900, upon which he pays a tax of \$464.50.

He renders for taxes his family car, a Stutz automobile, for which he pays a personal tax of only \$1 per year, and he pays a \$1 charge per year for license number tags.

HEARST'S HERALD AND TIMES

C. DORSEY WARFIELD

Both the Washington Herald and the Washington Times are incorporated under the name of "American Newspapers, Inc."

Mr. C. Dorsey Warfield is the assistant publisher of the Times. He pays no real-estate taxes. He pays on tangible personal property, at an assessed value of \$2,500, the sum of \$37.50. On intangibles, at an assessed value of \$148, he pays 74 cents, and, on a family automobile, a Dodge, he pays \$9.30. That is the total tax that the Times' assistant publisher pays.

ELEANOR PATTERSON

Now, with regard to the Washington Herald, unless a change has been made recently, Mrs. Eleanor Patterson, of 15 Dupont Circle, is the editor of the Herald. She is one of those whose taxes I was asked to check up. Here is her rendition. She has a residence at 15 Dupont Circle.

It is one of the finest residences in Washington. It is assessed at the value of \$261,731. Upon that a tax is paid of \$3,925.96.

She renders tangible personal property of \$75,000 assessed value, upon which a tax is paid of \$1,125. She renders intangible property of the value of \$1,090,324, upon which a tax is paid of \$5,451.62.

She pays an annual water rent on that extensive property of \$81.80 per year for 153,300 cubic feet of water.

She renders four family automobiles—one Cadillac, two Packards, and one Chrysler—on the combined total of which she pays a personal property tax of only \$30.66 a year, plus \$4 for license-number tags on them.

ARTHUR G. NEWMYER

On the editorial page of the Washington Times, published by American Newspapers, Inc., which also publishes the Herald, there are given the names of Arthur G. Newmyer, publisher; J. J. Fitzpatrick, managing editor; and William C. Shelton, business manager.

Mr. Arthur G. Newmyer, the publisher of the Washington Times, lives at the Mayflower Hotel. He renders tangible personal property of the assessed value of \$4,500, upon which he pays a tax of \$67.50 per year.

He renders intangible property of an assessed value of \$664, upon which he pays a tax of \$3.32. That is all the tax that he pays in Washington.

J. J. FITZPATRICK

Mr. J. J. Fitzpatrick, the editor of the Washington Times, who lives at 3415 Fulton Street NW., in another's property, renders tangible personal property of the value of \$60, upon which he pays a tax of 90 cents.

He renders intangible property of the assessed value of \$108, upon which he pays a tax on intangibles of 54 cents.

He renders a family automobile, upon which he pays a tax of \$8.17, plus \$1 for license tag.

He pays an annual water rent per annum of \$7.80.

Thus the editor of the Washington Times, on his personal property, his intangibles, on his automobile, for his license-number tags, and for water furnished him a whole year, pays in all a total of only \$18.11 taxes per annum for living in the Nation's Capital.

WILLIAM C. SHELTON

Mr. William C. Shelton, the manager of the Washington Times, on his residence at 3517 Rittenhouse Street NW., which he renders at an assessed value of \$16,898, pays an annual real-estate tax of \$253.48.

There is, concerning his personal tangible property and also his intangible property, a mandamus proceeding pending.

He renders two family automobiles, one a Dodge and one a Buick, upon which he pays an aggregate annual tax of only \$19.72, plus a dollar each for the license tags on the two cars.

He pays an annual water rent of \$15.76 on water for his residence property.

WASHINGTON HERALD-WASHINGTON TIMES

The Washington Herald and the Washington Times, combined, assessed as the American Newspapers, Inc., on lots 39 and 803, in square 250, city of Washington, render real estate at an assessed value of \$709,108, upon which is paid an annual real-estate tax of \$10,636.62.

It renders tangible personal property of an assessed value of \$224,984, upon which it pays an annual tax on tangible personal property at \$3,374.76.

It renders intangible property at an assessed value of \$306,676, upon which it pays a tax on intangibles of \$1,533.38.

It pays water rent on 4,039,500 cubic feet of water, per annum, of \$1,992.33.

The difference between its assessment on real estate in 1933 and the present year is as follows:

In 1933 its assessed value on real estate was \$770,004. Now it has been reduced to \$709,108. Thus, since 1933 it has been granted a decrease of \$61,896 on the assessed value of its real estate.

WASHINGTON NEWS

The Washington News, at Thirteenth Street NW., between K and L, square 284, lot 823, renders its real estate at an assessed value of \$209,100 and pays an annual real-estate tax of \$3,136.50.

It renders tangible personal property of the assessed value of \$83,392, upon which it pays a tax upon tangible personal property of \$1,250.88.

It renders intangible property of an assessed value of \$71,896, upon which it pays an annual tax on intangibles of \$359.48.

For 598,000 cubic feet of water furnished it annually it pays \$276.35 per year.

UNITED STATES NEWS

The United States News, which I mentioned is edited by Mr. David Lawrence, whose personal taxes I gave you awhile ago, renders its real estate at 2201 M Street NW., on lot 816, square 50, at an assessed value of \$115,274, upon which it pays an annual real-estate tax of \$1,729.12.

It renders tangible personal property of an assessed value of \$43,912, upon which it pays an annual tax of \$658.58.

It renders intangible property of an assessed value of \$39,328, upon which it pays an annual tax on intangibles of \$196.64.

For 280,000 cubic feet of water per annum, it pays \$148.31.

LABOR

The weekly publication known as Labor, upon its office building and plant at First Street and Constitution Avenue NW., on lots 16 and 45, square 635, renders its real estate at an assessed value of \$189,019, upon which it pays an annual real-estate tax of \$2,835.28.

It renders tangible personal property at an assessed value of \$20,000, upon which it pays an annual tax of \$300.

It renders no intangible property.

For 88,600 cubic feet of water furnished it per annum, it pays \$55.33.

NATIONAL PRESS BUILDING

The National Press Building Corporation, on its office building at Fourteenth and F Streets NW., lot 826, square 254, renders its real estate at an assessed valuation of \$5,830,084, upon which it pays an annual real-estate tax of \$87,451.26.

It renders tangible personal property of the assessed value of \$184, for which it pays an annual tax of \$2.76.

Its intangible property is rendered at an assessed value of \$431,056, upon which it pays an annual tax of \$2,155.28.

For 4,798,000 cubic feet of water furnished its fine office building, one of the finest in the city, it pays an annual charge of \$2,520.59.

ASSESSED BELOW REAL VALUE, EVEN PRIOR TO 1934

If you will look on pages 63 and 64 of our printed hearings, you will see that a citizen bought a piece of property for \$4,500 and made the Government pay \$11,500 for it; another citizen bought property for \$12,000 and made the Government pay \$25,000 for it; another bought a lot for \$3,800 and then made the Government pay \$8,250 for it; another citizen bought two lots for \$16,500 and then made the Government pay \$37,500 for them; another citizen bought a lot for \$11,000 and then made the Government pay \$28,500 for it; another citizen bought a lot for \$3,500 and then made the Government pay \$12,500 for it.

TAX ASSESSOR RICHARDS ADMITTED LOW ASSESSMENTS

I quote from the printed hearings on pages 64 and 65 the following:

PRICE ASKED FOR JEFFERSON JUNIOR HIGH SCHOOL SITE

Mr. BLANTON. Now, concerning the Jefferson Junior High School, at the time the first jury was empaneled for fixing the value of that site, that jury fixed a value of \$105,000. That was several times the value at which it was assessed at that time, was it not?

Mr. RICHARDS. Yes, sir. That was the part, the auditor just reminds me, that was in one ownership.

Mr. BLANTON. That was in one ownership.

Mr. RICHARDS. Yes, sir.

Mr. BLANTON. The Government refused to pay that \$105,000. They thought it was outrageous.

Mr. RICHARDS. Yes, sir.

Mr. BLANTON. Then the second jury that was empaneled to condemn that property for the Government awarded \$294,000.

Mr. RICHARDS. Yes, sir.

Mr. BLANTON. Yes.

Mr. BLANTON. And they fixed the amount the Government should pay for it at \$105,000. Then it was condemned in a second proceeding and Washington citizens then fixed its value at \$294,000, but we didn't take it.

I wish you would state to the committee the facts in regard to the property that was purchased in the block upon which the New House Office Building was built, and as to the manner in which the Government was held up on the value of that property. You have made a statement on this particular land in that particular condemnation and as to the different ownerships.

Mr. RICHARDS. A part of the land was purchased outright. I appeared before the committee consisting, I think, of the Speaker of the House, the minority leader, and someone else, and made a statement as to what that property was worth, but I do not think it went to condemnation. I think it was finally purchased.

Mr. BLANTON. All of the property that was purchased outright was purchased at a price far in excess of what it was assessed for taxes at that time?

Mr. RICHARDS. Yes, sir.

Mr. BLANTON. Some of it at several times its assessed value.

Mr. RICHARDS. Yes, sir.

AMOUNTS FAR IN EXCESS OF ASSESSED VALUES PAID

I now want to call your attention to what the Government had to pay for the lots upon which the new Supreme Court Building was constructed, and I quote from page 78 of the printed hearings:

SALE PRICE AND SUBSEQUENT AWARDS BY JURY FOR SUPREME COURT SITE
Mr. RICHARDS. These are some figures in regard to the site of the Supreme Court.

Mr. BLANTON. This data refers to the properties acquired, through condemnation, for the new Supreme Court Building.

Mr. RICHARDS. Yes, sir.

Mr. BLANTON. I read from the tax assessor's data. The following lots are in square 727: Lot no. 18 had sold for \$4,500, and the jury awarded for it \$11,500; lot 19 had sold for \$5,500, and the jury awarded \$8,500; lot no. 39 sold for \$11,000, and the jury awarded \$16,000; lot no. 40 sold for \$12,000, and the jury awarded for it

\$25,000; lot no. 41 sold for \$10,500, and the jury awarded for it \$16,000; lot no. 804 sold for \$8,000, and the jury awarded for it \$14,500; lot no. 32 sold for \$3,800, and the jury awarded for it \$8,250.

The following lots are in square 728:

Lot no. 801 sold for \$4,800, and the jury awarded for it \$7,500; lot no. 802 sold for \$6,000, and the jury awarded for it \$12,000; lot no. 807 sold for \$15,000, and the jury awarded for it \$26,000; lots nos. 809 and 810 were sold for \$16,500, and the jury awarded for them \$37,500; lot no. 814 was sold for \$11,000, and the jury awarded for it \$28,500; lot no. 822 was sold for \$5,650, and the jury awarded for it \$10,000; lot no. 823 was sold for \$8,500, and the jury awarded for it \$17,000; lot no. 826 was sold for \$14,500, and the jury awarded for it \$19,500; lot no. 827 was sold for \$15,000, and the jury awarded for it \$19,500; lot no. 31 was sold for \$5,100, and the jury awarded for it \$13,000; lot no. 832 was sold for \$3,500, and the jury awarded for it \$12,500.

This statement shows that in the case of property which had sold for \$163,850, a jury of Washington citizens, who passed on the matter, required the Government to pay \$302,750 in order to secure the property for the Supreme Court Building.

SUGGESTION FROM THE OTHER SIDE OF THE CAPITOL

You will remember, Mr. Speaker, that from the one somewhere else who is always insisting on the United States making a large Federal contribution to the civic expenses of Washington, the newspapers carried a suggestion in the early part of 1934 that one way the Commissioners could lower the amount Washington people would have to pay would be to lower the assessed valuation of the property. The Commissioners took the cue immediately. Notwithstanding that it was already assessed at about one-half of its real value, the Commissioners thereafter in 2 years arbitrarily lowered the assessed value of real property \$130,000,000.

OUR PRESIDENT GATHERED STATISTICS ON CITY TAXES

Last year President Franklin D. Roosevelt had his agents gather statistics regarding tax rates and renditions in all other comparable cities. From his report I quote the following:

TAX RATE IN DISTRICT COMPARED WITH CITIES OF SIMILAR SIZE

This report of the President's committee which he appointed to investigate the tax rate in the District of Columbia as compared with that in other comparable cities, which is entitled "Comparative Tax Burdens in the District of Columbia and Other Cities", and which was filed in the office of the Secretary of the Treasury on April 8, 1935, states that their analysis is based upon data available January 12, 1935, and from which I quote:

"The following cities of between 300,000 to 825,000 population show Washington to pay the lowest tax rate on \$1,000, to wit:

	Tax rate on \$1,000
Jersey City, N. J.	\$40.69
Boston, Mass.	37.10
Minneapolis, Minn.	30.10
Newark, N. J.	29.20
Seattle, Wash.	28.13
New Orleans, La.	27.58
Baltimore, Md.	26.70
Portland, Oreg.	26.50
Milwaukee, Wis.	26.26
Buffalo, N. Y.	25.56
Kansas City, Mo.	25.23
Louisville, Ky.	24.43
San Francisco, Calif.	20.09
Cincinnati, Ohio.	18.22
Washington, D. C.	15.00

"Table 1, appended, clearly demonstrates that the District of Columbia general property-tax rate of \$15 per \$1,000 is the lowest obtaining in any city of 300,000 or more population, and that a number of cities have adjusted tax rates of more than twice that obtaining in the District."

In our hearings, Mr. Speaker, it was disclosed that the city officials are wholly inactive and unconcerned about the back real-estate taxes that remain unpaid for each year back to 1877. They were not enough concerned to insist on a law being passed to allow the District of Columbia to take good title under proper sale for delinquent taxes. I had to go to the District Legislative Committee and urge the chairman to report such a bill, and we got her to have the bill reported and passed it here in the House a few days ago. I quote the following from the printed hearings:

UNCOLLECTED REAL-ESTATE TAXES, 1877-1935

Now, Mr. Towers, you are familiar, are you, with the statement that has been furnished by Mr. Richards here, and which came through you, I understand.

Mr. TOWERS. Yes; I got that up for him.

Mr. BLANTON. It shows an uncollected balance of real-estate taxes from 1877 to 1935 of \$1,599,568.47.

Mr. TOWERS. Yes, sir.

UNCOLLECTED TAXES FROM 1877 TO 1936

The following is an official statement of a list of uncollected balances of real-estate taxes by years from 1877 to January 1, 1936, furnished by Tax Assessor Richards under the official order of Commissioner Hazen:

List of uncollected balances of real-estate taxes to Jan. 1, 1936, in the amount of \$1,599,568.47, representing 57 years

	Balances
1935.....	\$687,996.30
1934.....	247,818.54
1933.....	210,001.88
1932.....	98,602.83
1931.....	80,041.71
1930.....	80,716.79
1929.....	22,304.69
1928.....	18,827.33
1927.....	25,187.34
1926.....	56,369.33
1925.....	1,625.54
1924.....	2,758.83
1923.....	7,899.34
1922.....	12,441.03
1921.....	7,182.37
1920.....	4,122.29
1919.....	3,554.29
1918.....	3,000.67
1917.....	3,882.57
1916.....	2,823.49
1915.....	3,123.45
1914.....	1,657.47
1913.....	2,125.82
1912.....	1,177.96
1911.....	1,067.08
1910.....	1,932.69
1909.....	644.83
1908.....	2,086.80
1907.....	3,278.29
1906.....	1,158.27
1905.....	1,061.57
1904.....	586.24
1903.....	168.63
1902.....	599.67
1901.....	520.26
1900.....	757.04
1899.....	670.25
1898.....	1,211.50
1897.....	1,564.52
1896.....	2,548.89
1895.....	1,281.28
1894.....	1,490.71
1893.....	1,145.56
1892.....	835.19
1891.....	1,034.45
1890.....	1,205.47
1889.....	920.63
1888.....	1,080.32
1887.....	1,128.33
1886.....	905.83
1885.....	1,211.48
1884.....	1,108.62
1883.....	1,897.96
1882.....	2,164.16
1881.....	3,831.75
1880.....	10,292.91
1877.....	8,706.55

Less overcollection for 1910, 1925, and 1928..... 22,385.56

Total..... 1,599,568.47

Mr. BLANTON. Colonel Sultan, this list of unpaid taxes on real estate, dating back as far as 1877, shows uncollected, for 1877, real-estate taxes amounting to \$8,706.55, and all the way up, every year, there is an uncollected tax balance.

Are there any steps being taken to collect those taxes?

Colonel SULTAN. Oh, yes, sir. Just why there should be an uncollected balance going back as far as that, frankly, I cannot say.

Mr. BLANTON. In other words, there remains now, previous to the present tax year, from 1877 to 1935, uncollected real-estate taxes of \$1,599,568.47.

Yet with these conditions prevailing, where the people of Washington, D. C., are the best treated, have the greatest advantages, and are the least taxed, the Washington newspapers are asserting that certain statesmen elsewhere than in this House are assuring these newspapers that they will restore this \$3,000,000 the House has cut off of the Federal contribution, and will restore the unconscionable high salaries that some officials here in Washington have been receiving.

Let them do it! But they are not going to do it without their people back home finding it out. And in my judgment their people back home are going to hold them responsible for such action. Their people back home are getting tired

of having to pay their own high taxes in the States and then having to help the overpampered people of Washington pay their local civic expenses here. The time has come when this House of Representatives must stop being the goat. It must stop having to carry the load. It must place the responsibility where it rightfully belongs. It must let the taxpayers of the United States know exactly who it is that is annually placing this burden upon them. And I am going to take upon my shoulders the duty of letting the people of the United States know about it. The people of Washington, D. C., receive the most for their money and pay less taxes than the people in any other city in the whole wide world.

The Washington Star ought to be ashamed of itself for causing Mr. William P. Richards, just as soon as he retires from his position, to make a statement that impeaches his own testimony, that impeaches the testimony of his chief, Commissioner Melvin C. Hazen, and impeaches the testimony of his auditor, Maj. Daniel Donovan, all three of whom, thrice, in annual hearings, admitted that in 1934 and 1935 the Commissioners reduced the assessed valuation of real estate \$130,000,000, or \$80,000,000 in 1934, and \$50,000,000 in 1935, distributed to most of the people living in the District of Columbia, and causing them a huge saving in taxes. I warn the new tax assessor right now that if he wants to succeed, and last long, he must not allow these Washington newspapers to wrap their tentacles around him and make him do their bidding.

Mr. Speaker, these Washington newspapers are not going to get away with this misrepresentation. I am going to call their hand every time they misrepresent the facts to the people. I repeat, they are not going to get away with it! If you will watch the Post, you will see in it every morning some incited letters it has caused to be written by deliberately poisoning the minds of the people against me, through its many malicious and libelous misrepresentations. I had hoped that it would not force me to tell the Washington people about how its owner accumulated his millions, but if he continues his unjust persecution I will before long give you a complete history of his manipulations.

I want the people of Washington to get these printed hearings and look at the assessed value of the property rendered for taxation by some of the leading citizens of Washington, who draw salaries of from \$15,000 to \$75,000 per annum and the small taxes they pay, and then they will help me in my fight to stop it.

Mr. Speaker, I ask unanimous consent to extend my remarks and to add some excerpts from the hearings I have referred to.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CRUEL WAR—JOHN SILVER PASSES ON

Mr. SNYDER of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to include therein a memorial of about 150 words, issued officially by the War Department.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SNYDER of Pennsylvania. Mr. Speaker, it was Sherman, I believe, who said that "War is hell." John Silver found that to be true on October 21, 1918, when the Meuse-Argonne drive was on in the great World War.

The American forces were advancing. The Germans were putting up their big drive. Airplanes were dropping shells. Heavy artillery was throwing a barrage. Machine guns were mowing down the opposing forces. Antiaircraft guns were bringing down airplanes. The air was filled with shot and shell. It was 2:45 p. m., October 21, when the commanding officer of our machine-gun artillery issued orders to liberate John Silver. He was liberated in the front lines of our advancing machine-gun squad. He had tied to his leg a very important message. As a homing pigeon, it was his duty to fly back to the loft at headquarters with this message.

Off he went. We imagine that we see him, as it were, dodging the shot and the shells. Now, a bullet or a piece of exploded shrapnel shoots away a portion of his leg, but the message tube being tied above the knee still stayed with John Silver, and with his leg dangling merely by the skin, on he goes toward the homing loft at headquarters and delivers his message.

The officers at headquarters noticed the bleeding leg of the pigeon and the lieutenant having charge of the homing pigeons gave special care to this faithful bird, with the result that he was nursed to good health and after the war was taken to Scofield Barracks in Hawaii. He grew to be a pet with the soldier boys. He was cared for as if he were the king of all bird life. When the Army had a parade or maneuvers at Scofield Barracks or any place in the Hawaiian Islands, the lieutenant in charge of the homing pigeons would see to it that John Silver was among the spectators reviewing the parade. He had a specially prepared basket or cage which John Silver occupied at such times.

This last summer, during the review of the Army at Scofield Barracks—by the way, the finest army, or, rather, the finest unit of any army in the world—one truck had about 100 homing pigeons in it, and as it passed the review stand the canvas was raised from the bed of the truck and these homing pigeons fluttered here and there, and, after organizing, headed for their homing headquarters. John Silver, looking on, acted as though he were human by clapping his wings when this flock of pigeons were let loose. John Silver's remains are with the Army relics in Dayton, Ohio.

The following is the exact photostatic copy sent me by the Eleventh Signal Company, of Scofield Barracks, Territory of Hawaii, January 1, 1936:

COMPANY ORDER NO. 1

ELEVENTH SIGNAL COMPANY,

Schofield Barracks, Territory of Hawaii, January 1, 1936.

1. In the death, on December 6, 1935, of the homing pigeon John Silver (named after the one-legged character of Robert Louis Stevenson's *Treasure Island*), the Eleventh Signal Company lost an esteemed member of its organization. This bird was hatched in France at the breeding lofts of the United States Army Signal Corps during the World War and was transferred to the loft of the Eleventh Signal Company upon its establishment in 1921. He was 17 years 11 months old at the time of his death.

2. The outstanding feat of John Silver is officially recorded as follows:

"Liberated at Grand Pre at 2:35 p. m., October 21, 1918, in the Meuse-Argonne drive, with an important message, during intense machine-gun and artillery action, the bird delivered its message to the loft at Rampont, a distance of 40 kilometers, in 25 minutes. Upon examination it was found that one leg had been amputated and that the breast had been pierced by a machine-gun bullet. The message tube, intact, was hanging by the ligaments of the torn leg."

3. The courage and devotion to duty displayed by John Silver, and, above all, his will to accomplish his mission and reach his objective are attributes worthy of emulation by every soldier of this company.

4. Hereafter on each organization day of the Eleventh Signal Company this order will be read and the name John Silver will be added to the roll call. When his name is called the senior non-commissioned officer present will respond, "Died of wounds received in battle in the service of his country."

JOHN A. BALLARD,

Major, Signal Corps, Commanding.

True copy:

JOHN A. BALLARD,

Major, Signal Corps.

PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

Mr. BANKHEAD. Mr. Speaker, reserving the right to object, I wonder if the gentleman is going to tell us where we are going to get the money that he has been inquiring about.

Mr. RICH. No; I want to congratulate the gentleman.

Mr. BANKHEAD. Just a minute; I am reserving the right to object.

Mr. RICH. I want to answer the gentleman. I want to congratulate the majority leader on the bill we passed yesterday showing a reduction in Government expenditures, and then I want to call your attention to some other bills that are coming on the floor here, and I want you to do likewise in respect of them. It is your duty.

Mr. BANKHEAD. I shall not object, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. The first thing, Mr. Speaker, I want to congratulate the majority leader and the Members of the House for bringing in one appropriation bill that is less than it was last year. [Applause.]

I am pleased that the Democrats applaud this statement, because this is the first deduction on any appropriation bill this session. However, I want to call your attention to what the Senate is doing by way of increasing not only the appropriation bills you have passed that were larger than they have ever been in the history of the Nation, but ask you to keep your eye on what they are doing over there in asking for millions and millions of dollars above what you have appropriated. It is shameful. It is a real tragedy to America's financial security. It must be stopped. Let the House do its duty on these conference reports and vote down any further increases in appropriations.

I also want to call attention to the fact that the Army and Navy bills, in 1935, were \$533,597,243; in 1936, \$744,839,588; while in 1937 you have suggested spending \$937,791,966, the largest appropriation for war in the history of this Nation, and 75 percent more than was appropriated 3 years ago. Notwithstanding, you all say you are for peace, yet you prepare for war.

Now, you are going to have other appropriations or riders that are hung onto these bills in the Senate. Keep your eye on this, because I want you to know about it, because you will be compelled to answer the question, Where are you going to get the money? [Laughter and applause.]

I want to call your attention further to the fact that Harry Hopkins and the President and Mr. Ickes will be in here requesting \$2,000,000,000 or more for public works. Now, I warn you Democrats, so beware! If you are interested in the expenditure of Government funds, read what Senator Holt said yesterday in the Senate with reference to ruthless expenditure of Government funds in West Virginia on public works, and take into consideration the fact that it is your duty to appropriate and specify any projects that money is to be spent for and not to place any more money in the President's hands to be squandered by politicians and Mr. Hopkins.

Mr. BANKHEAD. Mr. Speaker, will the gentleman yield for a serious question?

Mr. RICH. I yield to the majority leader, if the question is serious.

Mr. BANKHEAD. This is not badinage. In connection with the criticism of P. W. A. expenditures, and so forth, has the gentleman had occasion to read the report made by the 100 mayors of the leading cities of the country?

Mr. RICH. I will just read from a report made by Robert Johnson, the Democratic administrator of public works for Pennsylvania, who recently sent his report to Governor Earle. This is what he said in reference to the emergency measures or public-works program of the President:

Emergency measures are no longer economically or socially defensible.

He meant that the way these funds are being administered is wrong and that you are not getting the results that should be obtained. More men on relief, the Treasury deficit growing. Read Senator Holt yesterday in the CONGRESSIONAL RECORD, where he shows you how the funds are being administered for political relief in West Virginia, and not for the relief of the men who need it. This is the thing I want to call to your attention at this particular time. The Democratic Senator criticizes Hopkins and the politicians in the way they waste public moneys. It is a shame. It is a crime. Men, stop it! Stop it before it is too late.

Remember it is our duty to appropriate these funds and that you are going to be called upon here to pass a tax measure, and remember that you Democrats voted to spend this money, placing a mortgage on your future children; and when it comes to voting to tax your people to pay for it, see how many shirkers you are going to have on the Democratic side of the House. This is something you want to watch

when it comes to voting on your tax measure here, because you will find that a lot of those who will vote to spend the money are not going to vote with you, and you have a lot of responsibility here, especially the leader of the Rules Committee, with respect to this particular issue.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield.

Mr. O'CONNOR. The gentleman has spoken several times about the necessity of a tax bill to balance the Budget. Will the gentleman vote for a tax bill?

Mr. RICH. If you bring in an honest, conscientious tax bill that is going to tax the people in proportion to their income, or in the way they ought to be taxed, by direct taxation, not indirect, I shall vote for it. I voted for your iniquitous tax bill of last year, and I shall vote for a good one now; but I am not going to vote for any tax bill you bring in here if it is not sound, or if it is like the last one you Democrats submitted.

Mr. O'CONNOR. Does the gentleman mean by that a tax bill against corporations?

Mr. RICH. Yes; the corporations are the ones that are paying the taxes of this country, but it is done indirectly. Bring out a tax bill that will let the people know they are taxed for your follies, and I am for it.

Mr. O'CONNOR. The gentleman means he wants to tax individuals instead of corporations?

Mr. RICH. I want to tax corporations, and when you tax the corporations you tax the individuals, and the gentleman knows that. All you do is try to fool the people. You cannot do it always, remember that.

[Here the gavel fell.]

UTOPIA UNLIMITED

Mr. HILDEBRANDT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. HILDEBRANDT. Mr. Speaker, the rural resettlement program of the administration appeals to me as one of the most practical and humane reforms instituted under the present administration. A nation without homes is on the way to downfall. The plans now being formulated and carried out under supervision of Dr. Rexford G. Tugwell, Under Secretary of Agriculture and head of the resettlement organization, must commend themselves to all citizens anxious to see home and farm life in America salvaged, restored, and expanded.

It is easy enough to dismiss this splendid undertaking with a gesture or a phrase, but the man whose home has been lost or is likely to be lost sees things in a widely different light. Almost any procedure tending to protect him in the occupancy of his house, barn, and acres will be regarded gratefully, even if the procedure itself is not precisely what he might prefer.

Utopia Unlimited is the title of a series of articles recently published by the Washington Post and intimating that the Resettlement Administration is a bold, reckless, and foolish experiment. I found the articles interesting because they contained numerous facts about the enterprise, but the inference to be drawn was an unfair one. The reasoning was similar to that used in so many other instances in which the Federal authorities have utilized the governmental machinery for ridding our country of poverty so far as possible.

The opening paragraph of the article, which is written by Felix Bruner, makes this statement, which is intended to throw a scare into Mr. and Mrs. American Citizen:

Occupying all parts of 19 Washington buildings—ranging from the palatial former home of a millionaire to temporary Government structures—are the administrative directors and staff of one of the most far-flung experiments in paternalistic government ever attempted in the United States.

The organization, which is really a government within the Government, was not created by an act of Congress but by an Executive order of the President. Its activities do not require congressional sanction or approval. It directly affects, virtually rules, the lives of hundreds of thousands of people, who are told how much they spend for food, for clothing, for rent; what crops they

shall plant, how they shall conduct the most minutes of their lives.

Administering the huge experiment are 13,045 men and women, all on the Federal pay roll but none of them under civil service. At their head is the man who once wrote, "I shall roll up my sleeves and make over America." The organization is the Resettlement Administration. Its head is Prof. Rexford Guy Tugwell.

It ranges from buying a mule for a farmer to building houses for industrial workers; from establishing game preserves to encouraging formation of cooperations to can beans.

This is only a small part of the series of articles, *Utopia Unlimited*. It is enough, however, to demonstrate the actual and potential accomplishments of the Resettlement Administration.

Professor Tugwell has been criticized, "razzed", and ridiculed over the ambitious promise he made years ago, when he had just come to ponder the economic trials and tribulations of this great Nation. For my part, I can see no ground for attack because this brilliant young man, in the early days of his study of social science, declared he would roll up his sleeves and make over America.

The America of the times of Herbert Hoover and of Warren G. Harding needed an abundance of "making over." The corruption, oppression, and brutality of those times is still a stench in our nostrils.

America has not been "made over" in its entirety, and I am confident that Dr. Tugwell does not desire to have it entirely transformed. He does want to see the producers, both on the farm and in the factory, assured a comfortable living by enlightened and humanitarian laws that have been, are being, and will be passed in the not distant future.

I consider this a laudable purpose. Dr. Tugwell's ideal is full of inspiration to all of us who desire to end poverty and guarantee comfort and general welfare to every industrious healthy man and woman under the Stars and Stripes. Disagreements are numerous over ways and means, but there are few who question the worth and human value of Dr. Tugwell's earnest efforts.

POINT OF NO QUORUM

Mr. COCHRAN. Mr. Speaker, it was understood that the resolution from the Committee on Accounts providing an appropriation to carry out the work of the special committee appointed to investigate the Townsend pension plan would be called up next week. The resolution is coming up this morning, and I think, in justice to the Members of the House who are interested, they should know it is coming up, and I therefore make the point of no quorum.

The SPEAKER. The gentleman from Missouri makes the point of order that there is no quorum present. Evidently there is no quorum present.

Mr. BANKHEAD. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The doors were closed, the Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 34]

Adair	Corning	Higgins, Mass.	Ryan
Ayers	Crowe	Hill, Samuel B.	Sadowski
Barden	Culkin	Hoepfel	Sanders, La.
Brennan	Daly	Kee	Schuetz
Brooks	Dear	Kennedy, Md.	Schulte
Buckbee	DeRouen	Kniffin	Secrest
Bulwinkle	Dingell	Kvale	Seger
Burnham	Doutrich	Lamneck	Shanley
Caldwell	Faddis	Larrabee	Short
Carpenter	Fenerty	Lee, Okla.	Sirovich
Casey	Ferguson	Leibach	Thomas
Cavicchla	Gambrill	Lesinski	Tobey
Celler	Gassaway	Maverick	Underwood
Chandler	Goldsborough	May	Wearin
Chapman	Gray, Ind.	Meeks	Whittington
Clark, Idaho	Gray, Pa.	Montague	Williams
Clark, N. C.	Green	Montet	Willson, La.
Cole, Md.	Greenwood	Oliver	Wood
Cooley	Greever	Pettengill	Young
Cooper, Ohio	Hamlin	Romjue	

The SPEAKER. Three hundred and fifty-one Members have answered to their names—a quorum is present.

Mr. BANKHEAD. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

BENEFITS OF THE NEW DEAL

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a radio speech made by my distinguished colleague, Mr. O'CONNELL.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McCORMACK. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following radio address of the gentleman from Rhode Island [Mr. O'CONNELL].

BENEFITS OF THE NEW DEAL

You will remember that President Roosevelt in his great Jackson Day speech urged everyone within his hearing to constitute himself a committee of one to carry abroad the real story of the New Deal. He expressed the hope that each one would so equip himself with the correct information, that he could, with accurate knowledge, explain to others previously misled by false propaganda the facts about this administration's program. This is but a statement of ordinary common sense. At first thought it may appear to be unnecessary; yet it is of extreme importance, and for a very special reason, with which I think most of you are familiar.

There is being waged against the President a determined battle to unseat him from the minds of the voters as a great man and a great President. The forces which have combined in this relentless task to falsify his record, to abuse his reputation for sincerity, to belittle and deny his accomplishments are made up of several groups; of Republican reactionaries, of disgruntled Democrats, of selfish men motivated in their speech and actions only by their own, often dishonest, desires. It is not my intention, however, to indulge in a period of denunciation. I have no desire to waste my time and yours with a recitation of the mistakes of those from whom our President has wrested the control of the Federal Government and returned it to the people. There is a far more worthy and far more profitable use to make of this opportunity to speak to you. That is, to carry out President Roosevelt's request that we do our utmost to present a true statement of what has been done for the United States of America since March 4, 1933. It is a mighty record, and one upon which no man need fear to stand.

In any discussion of the accomplishment of the Roosevelt administration it is necessary first to understand clearly just what was the basic need that faced the President upon his elevation to office. Briefly, he found 16,000,000 men and women out of work, at the point of starvation, and, worse still, in so low a mental condition that they were fertile fields for the seeds of almost any violent doctrine.

If we have ever faced the peril of removal of the Capitol of the Nation from Washington to Moscow, it was back in 1932 and early 1933. The banks in every State except South Carolina had been closed by gubernatorial action. More than 6,000 banks, with deposits of over three billions, had failed during the Hoover administration. A steady decline in purchasing power was the inevitable result. Countless urban residents were no longer able to pay decent prices, even for the bare necessities of life. Consequently, the cotton grower, the tobacco farmer, the cattle rancher, the corn-hog raiser, and the wheat farmer each was obliged to accept ruinously low prices for his product. The vicious circle of deflation was thereby completed; factory employment diminished almost to the vanishing point and workers had no money to buy either their own products or those of the farms; the farmers' purchasing power almost completely disappeared and they could buy nothing from the factories.

The most immediate problem confronting the new administration was the frightful condition of the banking system. Roosevelt's forthright action in declaring the banking holiday and providing for orderly reopening of such banks as were still solvent, and the expeditious liquidation of the institutions that could not continue operations undoubtedly salvaged the credit of America.

Compare for yourself these figures: In the 13-year period between January 1, 1921, and December 31, 1933, there were 188 bank suspensions in the six New England States, involving deposits of about \$511,533,000. This includes 111 banks with deposits of \$278,400,000 which could not be licensed to reopen after the 1933 bank holiday. Some of the latter have been reopened. This is an average of 15 bank failures annually. Now, between January 1, 1934, and December 31, 1935—a 2-year period, and during the first 2 years of the Federal Deposit Insurance Corporation—no banks closed in New England.

Similar figures for the United States show a startling improvement that cannot but bring home forcibly what President Roosevelt has done for the safety of the Nation's savings. During that same 13-year period more than 11,000 banks closed their doors, tying up deposits of over four billions. This is an annual average of more than 850 failures. In the 2-year period ending December 31, 1935, 91 licensed banks with deposits of approximately \$47,000,000 suspended. Thirty-five of those banks were insured. Even though you may all have been fortunate enough to have escaped the dread experience of being caught in a bank failure, I am sure you can appreciate what it means to those depositors to get back 100 cents on every dollar up to five thousand immediately. Instead of the wiping out of life savings or the loss of much-needed cash, instead of destitution, there is solvency to a degree never before dreamed of.

Security and the knowledge that everything cannot be swept away—if your money is in an insured bank—has replaced the constant fear of loss that prevailed everywhere during those terrible years before March 4, 1933. And at what cost? To maintain the insurance fund, participating banks pay in a sum equaling one-twelfth of 1 percent of total deposits. This amounts to less than \$35,000,000 annually. All banks, National and State, which are members of the Federal Reserve System and some 8,000 others are protected by deposit insurance. You may have heard the complaint that this assessment is an onerous burden on the banks. I strongly suspect that the complainants have neglected to state that with the inception of deposit insurance the long and universally deplored practice of paying interest on demand deposits was stopped. For banks, National and State, that are members of the Federal Reserve System alone that little item over the 5 years preceding 1934 amounted to an average of \$243,000,000 annually, and no figures have been compiled on the amount paid by banks outside the System. So right here there is a saving to those banks of well over \$200,000,000 a year.

One of the earliest measures for recovery sponsored by this administration was the farm act creating the Agricultural Adjustment Administration. As a direct result of the rental and benefit payments and the adjustment of production to needs, farm income has improved more than 60 percent since 1932. Once again farmers have money in their pockets, and none know this better than the manufacturers, for a market long denied them has been restored.

A million families—more than 158,600 of them in the six New England States—have been enabled to refinance their home mortgages through the Home Owners' Loan Corporation. This was done at lower interest rates, which released considerable sums for other uses. A revamping of farm-credit machinery has saved several hundred thousand farms from the hammer of the auctioneer.

The Reconstruction Finance Corporation really blossomed into the full flower of its usefulness under the Roosevelt administration. Previously its only function was to lend money to banks still open but in some cases rotten to the core. No aid had been given depositors whose funds were tied up in suspended banks. President Roosevelt changed this and the R. F. C. has disbursed over \$5,000,000,000 in loans to insolvent banks, trust companies, mortgage companies, and to hard-pressed insurance companies, railroads, industry, commerce, etc.

The numerous agencies set up under the New Deal to cope with the emergency have spent a lot of money, true. The Budget has not been balanced, also true. We have borrowed billions to finance a gigantic program of aid to the farmer, to the businessman, to the unemployed—in fact, for all classes of people.

If during a period of rapidly dwindling revenues unemployment, business depression, and deflation the Government could increase the debt by over \$5,000,000,000, as occurred during the last 26 months of the previous administration, without wrecking the Nation's credit, then we have nothing to fear now when business is on the upgrade, when tax collections are increasing by leaps and bounds, when men and women are going back to work, spending money again not only for the things they need but for those things that make life a lot more worth living. We find that factory weekly pay rolls have risen one hundred and twenty-two million in the past 36 months. Annual national income has risen more than twenty-two billions. The public debt increased at the rate of one hundred and ninety-five millions monthly under Hoover, and while things were getting worse and worse, yet disaster did not overtake the Treasury. In the 36 months under Roosevelt the debt rose two hundred and twenty-one millions monthly, while things were getting better and better—better than at any time in the last 6 years. In short, we are offered this proposition: Is the Roosevelt administration worth more to the public welfare than the sort of government to which the Old Guard insists we must return?

This dispensation of Federal funds, raised by borrowing American money, has been called artificial respiration. Well, what would you do with a man rescued from drowning—fold your hands and let nature take its course? It has been viewed by some as extravagant, wasteful, and practically dishonest. Have you heard of any hundred-thousand-dollar bribes or black satchels filled with securities in this administration? Is it dishonest or shameful to put bread in the mouths of the starving, clothing on the naked, shelter over the homeless? Is not the United States worth saving? Of course it is!

Before we entered the World War our public debt was \$3,000,000,000. After the war the debt was \$25,000,000,000. Twenty-three billion dollars were borrowed for death and destruction. Fourteen billions have been borrowed to fight depression and to promote recovery and reconstruction. More than \$8,000,000,000 of this was disbursed in good loans that will be paid back with interest. If we get back only half of it, however, it will be more than Europe has paid us on war debts.

Finally, social security is to be provided for our people. The dread of a penniless old age need no longer clutch at the hearts of our workers. Hunger and destitution from involuntary unemployment will be avoided through a sensible program of unemployment-insurance reserves. When you buy a stock or a bond you have the assurance that the danger of being victimized by dishonest brokers and manipulators has been reduced by the Securities and Exchange Commission. Exorbitant rates for power and gas are being scaled down, and profits rightfully belonging to stockholders will no longer be drained away through the devious sewers of holding-company systems. Our natural resources—the

oil, the coal, the timber, the grazing lands, water power, rich soil, and all the other blessings—are at last being given the attention that they sorely needed for a century and more. The specter of barren wastes instead of fertile plains is fading out.

Yes; even a brief study of the accomplishments of the New Deal will show conclusively that we have in the White House a President who has a clear idea of the needs of our people. He is a man with the courage and vision to carry out a program that is designed to equalize the burdens between the rich and the poor alike. For what has happened in the United States in the past 36 months we can thank one man—Franklin Delano Roosevelt.

DEPARTMENT OF TERRITORIES AND INSULAR AFFAIRS

Mr. KING. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by publishing a radio talk that I made over the N. B. C.

The SPEAKER. Without objection, it is so ordered. There was no objection.

Mr. KING. Mr. Speaker, under the leave to extend my remarks in the Record I include the radio address delivered by me over the National Broadcasting System on March 11, 1936, as part of a program arranged for the discussion of S. 4250, a bill to create an executive department of the Government to be known as the Department of Territories and Insular Affairs, as follows:

I am very glad of this opportunity to participate in the program arranged for the discussion of Senator ERNEST W. GIBSON's bill providing for a Department of Territories. The people of Hawaii appreciate very highly Senator Gibson's deep interest in the problems of the Territories and island possessions, concerning which he has made a special study.

Hawaii, as a Territory, comes under the jurisdiction of the Congress and the Federal administration. The National Government administers the affairs of its Territories through the Department of the Interior. Since Hawaii was organized as a Territory, therefore, its business has been routed through that Department. Less than 2 years ago there was established in the Department of the Interior a Division of Territories, charged with the specific duty of handling the affairs of the Territories and island possessions. Through this Division, handicapped as it has been by a restricted staff, our administrative problems have been handled with a greater promptness and more sympathetic understanding than ever before.

Senator Gibson's proposal to create a department to look after the increasing responsibilities revolving around these communities is most gratifying. The advantages that would accrue to the Territories are obvious.

Hawaii, it will be remembered, came into the United States of its own volition in 1898, and was organized as a Territory in 1900. It is not a colony nor a possession, but an integral part of the Nation, just as was Arizona before it became a State. Its annexation, we hope and believe, has turned out to be one of the happiest of Territorial acquisitions. It cost the United States practically nothing. During the 36 years since it was fitted into the mosaic of the Nation, it has contributed in taxes to the Federal Government \$5 for every one that has been spent on its administration and development. Its home government has run along on so smooth a keel that Washington has found it necessary to give it very little attention. Hawaii has had nearly 100 years experience in self-government before it became a Territory. Its delights of climate and scenery, in either summer or winter, have become appreciated so well that increasing streams of visitors make it a place of rest and recreation. Sitting as it does at the crossroads of the Pacific, ideas from all the world are received, and through the adoption of such as can be used, Hawaii has become a most progressive and forward-looking community. It challenges the world in the application of science to agriculture, and in many other aspects of its local life it is further advanced than many other communities.

The Federal Government has found, miraculously, that Hawaii commands the Pacific from a defense standpoint, and because of this is of inestimable value to the Nation. So it comes to pass that the Nation's strongest naval base and largest Army post are established in Hawaii as America's western outpost of defense. Finally it develops that that new agency of transportation, the airplane, is entirely dependent on Hawaii for its conquest of the Pacific. Whoever flies the greatest of oceans in almost any direction must cross this way.

With the passing of the decades the population of Hawaii has increased until now it is near the 400,000 mark. Few of its predecessors as Territories have had more than half that number of people when they were admitted to statehood. So Hawaii is asking that her fitness for entrance into the sisterhood of States be considered. She is confident that before many years pass the Congress will have declared her worthy and that she will have added the forty-ninth star to the flag.

Until that happy consummation of Hawaii's aspirations, it is very necessary that the great administrative machinery of the United States Government be better informed as to Hawaii's problems and needs, that the application of national measures be more promptly extended to the islands, and that various phases of Federal activities be more closely coordinated. Senator Gibson's bill has for its purpose such a result; and either this legislation or an

increase in the facilities of the existing Division of Territories under the Department of the Interior should be favorably considered by Congress in order that our community may be more closely welded to the great Nation of which it is a loyal part.

LAWRENCE C. BROWN

Mr. WARREN. Mr. Speaker, I present the following privileged resolution and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 417

Resolved, That there shall be paid out of the contingent fund of the House an amount equal to 6 months' compensation paid Lawrence C. Brown, late an employee of the House, which amount shall be paid in equal shares to Monnie Mae Brown and Dessie Mae Brown, widow and daughter, respectively, of Lawrence C. Brown, deceased, and an additional amount to Monnie Mae Brown not to exceed \$250 to defray funeral expenses of the said Lawrence C. Brown.

The resolution was agreed to.

INVESTIGATION OF OLD-AGE-PENSION SCHEMES

Mr. WARREN. Mr. Speaker, I present the following privileged resolution and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 447

Resolved, That the expenses of conducting the investigation authorized by H. Res. 443, incurred by the select committee of eight Members of the House instructed to inquire into the acts and conduct of any person, partnership, group, trust, association, or corporation claiming or purporting to promote, organize, or further old-age-pension schemes, acting as a whole or by subcommittee, not to exceed \$50,000, including expenditures for the employment of legal services, investigators, accountants, experts, and clerical, stenographic, and other assistants, together with incidental and traveling expenses of such committee or any member or subcommittee thereof, and of any agent, assistant, or employee of such committee or subcommittee, as well as witnesses subpoenaed to appear before the committee, shall be paid out of the contingent fund of the House, on vouchers authorized by such committee or by any subcommittee thereof conducting such investigation, signed by the chairman of the committee and approved by the Committee on Accounts.

Sec. 2. That the official committee reporters, if available, may be used at all hearings held in the District of Columbia.

With the following committee amendment:

Page 2, line 8, strike out the words "if available" and insert "if not otherwise officially engaged."

Mr. MONAGHAN. Mr. Speaker, I make the point of order that the resolution is out of order, inasmuch as it contains matter of legislative material which is forbidden under the rules of the House. I refer specifically to section 834 of Jefferson's Manual. And, further, that it changes existing law, which is prohibited by the same section of Jefferson's Manual. I state specifically that it might change the status of the Security Act, for example, inasmuch as it might endanger the whole legislative system of providing old-age pensions in our country. The scope of the resolution (H. Res. 443) is so broad as to include and therefore discredit the Securities Act. I make the further point of order that it violates the integrity of the membership of the House.

On that point, Mr. Speaker, the first resolution was introduced on January 29. No action was taken on that resolution. A further resolution was introduced on February 14. That resolution passed the House on February 19. The Committee on Accounts considered a resolution for making this appropriation under the original resolution and acted favorably thereon. Then a further resolution was introduced on March 10, and I maintain that that resolution of March 10 violates the rules of the House in that it was fraudulently introduced. The second resolution, which was brought in and passed by unanimous consent, was brought in without notice to the House, without a hearing, that I know of, and without a specific record vote by the House or a division of the House. It was brought here when the Members of the House were not present, at 12 o'clock, at which time it is seldom the custom for every Member of the House to be present, and points of no quorum are for that reason constantly being made at that particular hour. I myself walked in a few seconds too late to make any objection or to know what was really the content of the resolution, and was led to believe that it was a unanimous-consent request to make a

minor typographical correction in the original resolution, objection to which would have been ridiculous. That resolution (H. Res. 443) involves every Member of this House. I have to read the resolution in order that the House may understand it:

Resolved, That the Speaker appoint a select committee of eight Members of the House, and that such committee be instructed to inquire into old-age-pension plans with respect to which legislation has been submitted to the House of Representatives, and particularly that embodied in H. R. 7154.

H. R. 7154 is a bill introduced by Mr. McGROARTY, of California, to provide for the general welfare of the United States by supplying to the people a more liberal distribution and increase of purchasing power, retiring certain citizens from active gainful employment, improving and stabilizing gainful employment for other citizens, stimulating agricultural and industrial production and general business, and alleviating the hazards and insecurity of old age; to provide a method whereby citizens shall contribute to the purchase of and receive a retirement annuity; and for the raising of the necessary revenue to operate a continuing plan therefor; and to provide for the proper administration of this act; and for other purposes.

Be it enacted, etc.—

DEFINITIONS

SECTION 1. The term "transaction" for the purposes of this act shall be defined so as to include the sale, barter, and/or exchange of either or both real or personal property, including any right, interest, easement, or privilege of commercial value therein or related thereto, whether actually made at the time or only then agreed to be made and whether under executed or executory contract or otherwise; also including all charges for interest, rent commissions, fees, and any other pecuniary benefit of any kind directly or indirectly derived from or for any loan, deposit, rental, lease, pledge, or any other use or forbearance of money or property; and also including the rendering or performance of any service for monetary or other commercially valuable consideration, whether by a person or otherwise, including all personal service, also transportation by any means, and telephone, telegraph, radio, amusement, recreation, education, art, advertising, any public utility, any water rights, and/or any and all other service of any and every kind whatsoever, but excepting and excluding therefrom any single isolated transfer of property of fair value less than \$100 which does not arise or occur in the usual course of an established commercial business and excluding any loan, deposit, withdrawal from deposit, hypothecation, or pledge of property or money.

Mr. BANKHEAD. Mr. Speaker, will the gentleman yield?

Mr. MONAGHAN. No; I refuse to yield.

The SPEAKER. The Chair suggests this to the gentleman from Montana: It is impossible for the Chair to understand the points of order being made by the gentleman under the procedure thus far. Will the gentleman state first his points of order, and then the Chair will be glad to hear the gentleman argue the points of order?

Mr. MONAGHAN. I have stated three of them, Mr. Speaker.

The SPEAKER. The Chair asks the gentleman to first state his points of order if he has more than one, and then the Chair will be glad to hear the gentleman discuss his points of order.

Mr. MONAGHAN. I stated, first, that it contains legislation; second, that it changes existing law; third, that it violates the integrity of the Members of the House; fourth, that it violates section 549 and section 553 of the rules as set forth in Jefferson's Manual, in that it contains insulting language; five, that it violates section 852 on page 399 of the manual, respecting the fraudulent introduction of a bill. I read section 852:

The fraudulent introduction of a bill involves a question of privilege, and a bill so introduced was ordered stricken from the files (IV, 3388).

The SPEAKER. And those are the points of order?

Mr. MONAGHAN. Yes; and I am now dealing with the last two points of order, that the resolution contains insulting language and was fraudulently introduced.

The SPEAKER. And the gentleman is now referring to the resolution pending before the House?

Mr. MONAGHAN. Yes; the resolution now pending before the House.

The SPEAKER. Is it the contention of the gentleman from Montana that the gentleman from Missouri [Mr. BELL] did not introduce the resolution now before the House?

Mr. MONAGHAN. Yes; he did introduce this resolution. I maintain that it contains insulting language and therefore violates the privileges of the House. He introduced this resolution, which authorizes the money for the resolution, which he that day by unanimous consent, and with only a half dozen Members of the House present, with none of the Townsend leaders here on the floor, had passed by the House; and with respect to that resolution I am reading what it provides so that the Chair will know what insulting language it contains.

The SPEAKER. The Chair fails to understand how the gentleman at this point can raise the question of what a former resolution passed by the House contains. The House passed that resolution, the RECORD so shows, it was adopted, and a motion to reconsider the vote by which the resolution was passed was laid on the table. The Chair asks the gentleman to point out the insulting language in the pending resolution.

Mr. MONAGHAN. I have to read this in order to do that.

The SPEAKER. The Chair will hear the gentleman.

Mr. MONAGHAN. I read from the McGroarty bill, H. R. 7154, referred to me in House Resolution 443:

A purchase obligation is not a loan under this act.

Barter and/or exchange is defined as a plurality of transactions to the extent of the fair value of the property and/or service transferred or rendered other than money.

The term "income" for the purposes of this act shall be defined so as to include the gross amount of any and all money or its equivalent received from or for any service performed or from or for any proceeds or profit from any transaction, inheritance, or gift whatsoever.

The term "net income" for the purposes of this act shall be defined so as to include all money and/or commercially valuable benefit or its equivalent actually received by the annuitant after deducting only such charges and expenses as are directly incident to producing such net income.

The term "gainful pursuit" for the purposes of this act shall be defined so as to include any occupation, profession, business, calling, or vocation, or any combination thereof, performed for monetary or other commercially valuable consideration, remuneration, or profit.

The term "annuity" and/or "annuities" for the purposes of this act shall be defined so as to include the various sums and/or amount of money distributed and paid pro rata—

Mr. BUCK. Mr. Speaker, a point of order. The gentleman is not addressing himself to the point of order, but is reading the text of the so-called McGroarty bill.

The SPEAKER. The gentleman from Montana will confine himself, of course, to the point of order.

Mr. MONAGHAN (continuing reading):

and otherwise to the various persons who shall become and be the beneficiaries under this act.

Mr. LEHLBACH. Mr. Speaker, a point of order.

Mr. MONAGHAN. Mr. Speaker, I insist that I be given the privilege of this House to discuss the point of order.

The SPEAKER. The gentleman must confine himself to the point of order. That does not permit the gentleman to discuss extraneous matter.

Mr. MONAGHAN. The opponents are only delaying matters.

The SPEAKER. Debate on a point of order is for the information of the Chair, and the Chair therefore controls the time on a point of order. The Chair wishes to respectfully inform the gentleman from Montana that he must confine himself to the point of order. That does not permit the gentleman to discuss extraneous matter, or matters which are extraneous to the point of order or the merits of the resolution.

Mr. BANKHEAD. Mr. Speaker, may I make the point of order that the gentleman is now reading the entire text of the McGroarty bill, which he does not claim contains any insulting language. As I understand his position, it is that the resolution introduced by the gentleman from Missouri [Mr. BELL] is what constitutes insulting language. The gentleman is now reading a 25-page bill that, it seems to me, is entirely extraneous to the point of order that has been raised.

The SPEAKER. The Chair thinks that the point of order raised by the gentleman from Alabama [Mr. BANKHEAD] is well taken. What is contained in the McGroarty bill has nothing to do with the point of order which the gentleman from Montana has raised against the pending resolution.

Mr. MONAGHAN. Does not the resolution which we are considering this morning specifically appropriate money to investigate those persons who are organized to further old-age pensions? I will read the specific resolution that does contain the insulting language.

The SPEAKER. Let the Chair state to the gentleman that the question of the merits of the McGroarty bill or the merits of the investigation resolution are for the House to determine, and may or may not come up under debate upon the pending resolution. The Chair thinks the gentleman ought not discuss the merits of the resolution which the gentleman from North Carolina [Mr. WARREN] has reported under a point of order. The Chair asks the gentleman to confine himself strictly to the point of order which he has raised.

Mr. MONAGHAN. I am endeavoring to do so, Mr. Speaker, but to thoroughly discuss my point of order I have to read this.

The SPEAKER. The Chair does not see that the points of order have anything to do with the McGroarty bill or the resolution which has heretofore passed the House, because that is behind us; and the Chair fails to understand where that has anything to do with the point of order raised by the gentleman from Montana.

Mr. MONAGHAN. The particular resolution that we are appropriating money for is to carry out the purposes of House Resolution 443, which resolution reads in this fashion:

Resolved, That the Speaker appoint a select committee of eight Members of the House, and that such committee be instructed—

The SPEAKER. Now, the Chair would like to ask the gentleman to point out just how that involves the point of order which the gentleman has raised on the resolution pending before the House.

Mr. MONAGHAN. My point of order is that the privileges of the House have been infringed.

The SPEAKER. The Chair overrules that point of order now. [Applause.] The Chair has heard enough upon that point of order.

Mr. MONAGHAN. That it contained insulting language with respect to Members of this House. There are many Members of this House who have introduced old-age-pension bills.

The SPEAKER. To what resolution is the gentleman now referring?

Mr. MONAGHAN. I am referring to House Resolution 447. House Resolution 447 is based upon House Resolution 443.

The SPEAKER. The Chair has asked the gentleman to point out the specific insulting language to which he refers.

Mr. MONAGHAN. The insulting language to which I refer is this:

And particularly that embodied in H. R. 7154 in the United States Congress, with special reference to the acts and conducts of any person, partnership, group, trust, association, or corporation claiming or purporting to promote, organize, or further old-age-pension legislation or schemes, and that such committee be further instructed to inquire into the history and records of the various proponents, operators, promoters, or schemers now engaged in promoting such legislation.

That makes Mr. MCGROARTY a schemer. It makes myself a schemer. It makes every member of the 63 bloc on the Townsend matter a schemer and plotter and intriguer. I say it involves the integrity of the House.

The SPEAKER. The purpose of this resolution and this appropriation is to make available funds for the purpose of finding out and eliciting the facts with reference to this proposed legislation, or any other legislation of a similar kind, referred to in the Bell resolution, which clearly does not reflect upon any Member of the House. The Chair fails to see anything insulting in the language which the gentleman has just read.

Mr. MONAGHAN. I will read for the information of the Speaker the definition which Webster gives of the word "schemer":

One who performs schemes; a projector; a plotter; an intriguer.

Mr. ZIONCHECK. Mr. Speaker, a point of order.

The SPEAKER. There is just one matter pending before this House, and that is the question of whether the House will make an appropriation to carry on an investigation which it has heretofore ordered.

The Chair has nothing to do with the resolution authorizing the investigation to which the gentleman refers. The House has already taken action on it.

Mr. MONAGHAN. The Chair must take cognizance of House Resolution 443 as well as House Resolution 447.

The SPEAKER. The Chair cannot take cognizance of that resolution.

Mr. ZIONCHECK. Mr. Speaker, a point of order.

Mr. MONAGHAN. Mr. Speaker, I ask the right to be respectfully heard.

The SPEAKER. The Chair is going to give the gentleman a respectful hearing, but does not want the gentleman to wander all around the lot. [Applause.]

Mr. MONAGHAN. I do not want that either, Mr. Speaker. I will state—

Mr. ZIONCHECK. Mr. Speaker—

The SPEAKER. The Chair will state to the gentleman from Washington that the Chair is now entertaining a point of order made by the gentleman from Montana, and cannot recognize the gentleman from Washington to submit another point of order.

Mr. ZIONCHECK. I rise to a question of personal privilege then.

The SPEAKER. The Chair declines to recognize the gentleman for that purpose while the gentleman from Montana has the floor.

The gentleman from Montana will proceed.

Mr. O'MALLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman from Wisconsin cannot take the gentleman from Montana off the floor by a parliamentary inquiry. If the gentleman from Wisconsin will permit the gentleman from Montana to proceed in order, perhaps this matter can be disposed of in a very few minutes.

Mr. MONAGHAN. Mr. Speaker, the rule under which I am proceeding specifically states:

Members having petitions or memorials or bills of a private nature to present may deliver them to the Clerk.

I have five specific points of order, and I have not been fully heard on any of them, Mr. Speaker, I may say. [Laughter.]

Am I not right in assuming, Mr. Speaker, that this Resolution 447 could not be brought before the House without House Resolution 443 first having been enacted into law?

The SPEAKER. It could be done, but the other resolution to which the gentleman refers has already been adopted by the House. The Chair is trying to impress the gentleman from Montana with that fact. What the authorizing resolution has to do with the points of order made against the pending resolution appropriating money to carry out the purposes of the authorizing resolution heretofore ordered by the House regularly, as the Journal and the Record show, the Chair up to this time has been unable to understand.

Mr. MONAGHAN. I will say to the Chair that I have not been able to hear a word the Chair is saying because of the mumbling going on around me.

The SPEAKER. The Chair stated, and repeats, that the authorizing resolution to which the gentleman refers has been regularly adopted by the House, as the Journal and the Record show. What that has to do with the points of order made against a resolution appropriating money to carry on the investigation which the House has heretofore ordered, the Chair up to this time has been unable to understand.

Mr. MONAGHAN. Mr. Speaker, House Resolution 447 makes specific reference to House Resolution 443. It states:

Resolved, That the expenses of conducting the investigation authorized by House Resolution 443, incurred by the select committee

of eight Members of the House instructed to inquire into the acts and conduct of any person, partnership, group, trust, association, or corporation claiming or purporting to promote, organize, or further old-age-pension schemes, acting as a whole or by subcommittee, not to—

This language, Mr. Speaker, I think specifically brings House Resolution 443 before the House.

The SPEAKER. The Chair differs with the gentleman. The reference to the resolution to which the gentleman refers was used merely to identify the resolution to carry out the purposes for which the appropriation is being made.

Mr. MONAGHAN. Mr. Speaker, could the House pass intelligently this resolution without a knowledge of House Resolution 443? I maintain it could not, because it would have to know the purpose, it would have to know the background, it would have to know the reason for the investigation, and whom and what it was to involve.

The regular order was demanded.

The SPEAKER. Has the gentleman concluded?

Mr. MONAGHAN. I would like the Speaker to answer the question whether or not the House can act intelligently without this knowledge.

The SPEAKER. The Chair has nothing to do with whether or not the House can act intelligently. That is for the Members of the House to determine, but since the gentleman asks the Chair the specific question, the Chair certainly thinks it can.

Mr. MONAGHAN. I will put it this way, Mr. Speaker: Without a knowledge of House Resolution 443 I maintain that no Member of this House can adequately pass on House Resolution 447. It would scarcely know for what purpose it was appropriating money.

The SPEAKER. The Chair wants to be patient with the gentleman, the Chair has tried to be courteous to the gentleman. That is a matter to be considered by the House in the way of argument on the merits when it comes to consider the resolution. So far as the Chair can see, it has nothing to do with the point of order raised by the gentleman from Montana.

Mr. MONAGHAN. The Chair has overruled, then, one of my points of order, or all of them?

The SPEAKER. The Chair is ready to overrule all the points of order that the gentleman has so far made. [Applause.]

Mr. MONAGHAN. Then, Mr. Speaker, I present a point of order involving the privileges of the House.

The SPEAKER. Let the Chair make his ruling.

The Chair wants to be entirely courteous to the gentleman. The Chair hopes the gentleman understands that. The rules of the House provide that certain named committees shall have leave to report at any time on matters therein designated, and concludes with these words:

And the Committee on Accounts, on all matters of expenditure of the contingent fund of the House.

The Chair understands this resolution proposes to make an appropriation out of the contingent fund of the House, and therefore is specifically authorized by the rule to which the Chair has just referred.

The Chair does not desire to be facetious with the gentleman, and I am sure he so understands. However, the Chair does not understand how a previous resolution, adopted regularly by the House, as shown by the Journal and the RECORD, has anything to do with this particular resolution. The time for the gentleman's point of order on that resolution has passed. The Chair overrules the points of order made by the gentleman from Montana.

Mr. MONAGHAN. Mr. Speaker, I maintain at the time no proper notice was given, and that therefore I was not here as promptly as I would have been if given such notice, which notification is customary in case a Member is keenly interested in a bill.

The SPEAKER. The Chair is not responsible for the absence of the gentleman.

The Chair at this time desires to reiterate what he stated yesterday: That insofar as he can control the matter, the Chair is not going to permit the use of personalities in the House during the remainder of the present session. [Ap-

plause.] Members must refrain from the use of personalities while engaged in debate upon the floor of the House or while the House is in session. Rules were established many years ago for the purpose of maintaining orderly procedure, and they have proved to be satisfactory throughout all these years. The use of personalities is contrary to the rules of the House and bound to provoke disorder, which is something we do not want to occur in the House.

Mr. MONAGHAN. Mr. Speaker, I should like to present an amendment to the resolution.

The SPEAKER. The gentleman from North Carolina [Mr. WARREN] has the floor.

Mr. O'MALLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. Does the gentleman from North Carolina [Mr. WARREN] yield for a parliamentary inquiry?

Mr. WARREN. Mr. Speaker, not now.

Mr. ROBSION of Kentucky. Will the gentleman from North Carolina [Mr. WARREN] yield so that I may propound a unanimous-consent request to extend my remarks on the Pettengill long- and short-haul bill?

The SPEAKER. Does the gentleman yield for that purpose?

Mr. WARREN. Mr. Speaker, I yield to the gentleman from Kentucky.

THE PETTENGILL BILL WILL AID THE RAILROAD WORKERS OF THE COUNTRY, GIVE JUST AND FAIR TREATMENT TO THE RAILROADS, PROMOTE RECOVERY, AND PROTECT THE PUBLIC INTERESTS

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD with reference to the Pettengill long- and short-haul bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. ROBSION of Kentucky. Mr. Speaker, H. R. 3263, known as the Pettengill bill, seeks to repeal or eliminate so much of paragraph 1 of section 4 of the Interstate Commerce Act of 1887, as amended June 18, 1910, and February 28, 1920 (U. S. Code, title 49, sec. 4), as relates to what is known as the long- and short-haul provision of said section 4. This bill was referred to the Committee on Interstate and Foreign Commerce of the House. This committee is made up of Members of the House of wide experience and a great deal of training in matters pertaining to this subject. The committee held extensive hearings, and after carefully considering the bill and amending it, by unanimous vote reported it to the House as it is now before us.

This measure has the active approval of all the railroad brotherhoods and railroad crafts, representing all of the railroad workers of America. It also has the approval of the railroads, both great and small. The chambers of commerce of my section, many coal operators, many of the leading coal miners, and other citizens engaged in various professions and activities have approved this measure and strongly urge me to support it.

I made up my mind sometime ago that this legislation is necessary and that it would not only be helpful to the railroad workers and the railroads but its enactment would be in the public interest; and therefore I have been active in doing what I could to bring this matter before the House, and will continue to give this measure my earnest and active support until it is passed.

WILL HELP RAILROADS AND WORKERS

It is a matter of common knowledge that the railroads of our country have had their depression, and in many instances more acute and for a longer period than other industries and instrumentalities of commerce in our country. Competition from water, motor, and air transportation has become more active and has grown rapidly during the last decade or two. These means of transportation have made great inroads into the freight and passenger business of the railroads.

In our complex industrial, commercial, and social life the four forms of transportation appear to be necessary. It cannot be denied, however, that for many years State and Federal Governments have spent billions of dollars in subsidizing water, motor, and air transportation. Billions have

been expended by the Government in providing suitable harbors, docks, canals, and channels of rivers to aid water transportation. Other billions of the taxpayers' money have been expended by the Federal Government, States, and counties to construct a great system of highways which have directly promoted and benefited motor transportation. The Federal Government has expended other large sums of the taxpayers' money in promoting and developing air-transportation facilities.

The railroads have seen their business cut down as the years have come and gone on account of these other transportation facilities.

When the long- and short-haul measure was first enacted in 1887 and later amended we were only developing the regulatory processes of the railroads, and there was not then a well-defined and effective means of regulation as we have today, and there was very little competition from these other facilities of transportation at that time. The long-and-short-haul measure was necessary for the protection of the shippers and the people generally of the Nation.

That condition no longer exists. The long-and-short-haul now has become a powerful instrument in the hands of water, motor, and air transportation to greatly weaken and in many instances to destroy railroad properties and railroad investments and to take away the jobs of thousands of railroad workers.

The workers of no unit of industry or commerce have suffered so grievously on account of unemployment in the last few years as the railroad workers of this country. It is only fair to say that there are only one-half as many railroad workers today as there were in 1920, and that the railroad workers have been reduced from 1,600,000 in 1929 to 1,000,000 today—a loss of 600,000 since 1929. In other words, about two railroad workers out of every five have lost their jobs since 1929. For the most part, these railroad workers have been trained from their boyhood in this particular character of work, and most of them are unsuited, after spending so many years of their lives in this special training of railroad transportation, to enter any other work or any other line of industry. It is urged that this measure will be of great benefit to the railroad workers of the Nation, as well as to the railroads themselves.

It is up to us to prevent the bankruptcy of our railroads and the wiping out of the investments made by the citizens of this country in this great industry. Twenty-six billions of dollars or more have been invested in our railroads. They have millions of persons employed. The railroads furnish a livelihood for many millions of persons. Without this legislation, unemployment of the railroad workers will increase instead of diminish. The value of honest investments in railroad property will continue to fall.

EQUALITY OF OPPORTUNITY

Until recent years there was a general feeling of prejudice against the railroads. The railroad owners and managers were responsible to a very great extent for this unfavorable attitude of the American public. Watered stocks, oppression of shippers and workers, rebates, and other unfair practices reacted unfavorably on the public mind. These conditions have almost entirely disappeared, and the public begins to realize that the railroads are a great quasi-public industry, and this great industry, with its millions of investors and workers, cannot suffer without this suffering being reflected in agriculture, industry, commerce, and labor generally of the Nation. The policy of doing something to the railroads has given away to a fair and just policy of giving to the railroads and the railroad workers the same fair and equitable treatment as is given to other industries and workers of the Nation. We need the railroads and must have them.

As heretofore pointed out, the Government has subsidized other facilities of transportation out of the United States Treasury, and they have not been and are not now hampered by the so-called long- and short-haul provision.

This measure, in repealing the long- and short-haul clause, places the railroads on an equal footing with water, motor, and air transportation and unhampers the Interstate Commerce Commission in making rates; but this measure defi-

nately places on the railroads the burden of proof to justify a lower rate for the longer distances, as compared to the shorter distances, as being reasonable, fair, unprejudicial, nonpreferential, and nondiscriminatory as between persons, companies, firms, corporations, or localities, or any particular description of traffic whatsoever, as is provided in sections 1, 2, and 3 of the Interstate Commerce Act. Therefore, it is pointed out that under the present law a shipper may ship goods by water from New York, down through the Atlantic Ocean, through the Panama Canal and Pacific Ocean, to San Francisco and by rail to the interior of the United States at a lesser rate than would be paid by the shipper by rail from New York to this same point in the United States. This is made possible because of the so-called long- and short-haul provision of the Interstate Commerce Act. This is discrimination in favor of water transportation. There should be no discrimination as between our several agencies or facilities of transportation. The Interstate Commerce Commission should have the power to make such rates as will be fair and just in the public interest and will avoid discrimination against producers or localities or as between the different agencies or facilities of transportation. In other words, as we understand this measure, it gives to the railroads a square deal and makes it possible to eliminate this discrimination. It will provide fair treatment for those who have invested their savings in railroads, and will cut down unemployment and give greater opportunities to the railroad workers.

TAXPAYERS

According to the press reports, the budget of the State of Kentucky calls for the expenditure of about \$23,000,000 for the present fiscal year. Let us not forget that the railroads of Kentucky will this year pay more than \$5,000,000 in taxes, and the railroad investors and railroad workers themselves will pay other millions in taxes.

Class I railroads of the Nation in 1929 paid \$396,682,634 in taxes, but owing to the depression and the depreciation in value and earnings their taxes in 1933 were only \$249,623,198. The railroad taxes in 1933 represented 8 cents of every dollar of revenue, and was 1.8 cents per dollar greater than in 1929.

To show some of the serious effects on the railroads because of competition and the depression, I call your attention to the total expenditures by class I railroads for durable and consumable goods in 1923 was \$2,797,852,000, and in 1934 these expenditures had dropped to \$812,936,000.

I realize that ship lines engaged in coastal trade are opposed to this measure. They are entitled to fair and just treatment, but there is no good reason why they should be accorded preference and be shown partiality.

UNEMPLOYMENT ON THE INCREASE

William Green, President of the American Federation of Labor, a few days ago issued a statement in which he pointed out there were 12,625,000 unemployed workers in this country at this time, and that unemployment had increased 1,229,000 in December 1935 over December 1934.

The number of unemployed workers in this country in June 1933 was fixed at 10,000,000. It is quite evident that we have not yet solved the unemployment problem in this country.

Mr. Hopkins, Administrator of Relief, declared recently before a committee of the United States Senate that we were still at the peak of relief needs—that there were more than 20,000,000 people in this country who still needed relief. This is more than double the number who were on relief in 1933.

It is hoped that this measure will lessen unemployment and the number who need relief and at the same time give just and fair treatment to the railroad workers and the railroads and promote the general welfare of our country.

I feel sure that this measure will meet the almost unanimous approval of this House.

INVESTIGATION OF OLD-AGE-PENSION SCHEMES

Mr. MONAGHAN. Mr. Speaker, a parliamentary inquiry. The SPEAKER. Does the gentleman from North Carolina [Mr. WARREN] yield to the gentleman from Montana [Mr. MONAGHAN]?

Mr. WARREN. Mr. Speaker, I decline to yield at this time. Mr. Speaker, this resolution is brought in pursuant to a mandate of the House twice expressed. It has nothing to do with either the merits or demerits of the Townsend plan or any other kind of a plan. Personally, I think very little is ever accomplished by the investigations we order, but it is too late to raise that question now, and it becomes the duty of the Committee on Accounts to make the will of the House operative.

It is passing strange to me how Members who claim to be opposed to investigations should sit glued in their seats time after time as these resolutions are presented, letting them pass almost by unanimous consent, and then when a resolution is brought in to provide funds for carrying on the investigation they then voice strenuous objections.

The resolution for this investigation was presented and discussed at length by its author, the gentleman from Missouri, and by others. While there was no record vote, I recall, and all of the Members will recall, that only four votes were cast against it. Sometime later it was decided to vacate the resolution, and the gentleman from Missouri came in and received the unanimous consent of the House for the consideration of a new one, which was passed without a vote being cast against it.

Where was the gentleman from Montana at that time? He states that he was away. Well, it is his duty, if he is opposed to these things, to be on the floor and fight them when they come up here for consideration.

Mr. MONAGHAN. Mr. Speaker, will the gentleman yield?

The SPEAKER. Does the gentleman from North Carolina [Mr. WARREN] yield to the gentleman from Montana [Mr. MONAGHAN]?

Mr. WARREN. Mr. Speaker, I decline to yield now.

Mr. Speaker, an effort is being made to lock the stable after the horse is gone. If there was opposition to this investigation, it should have been presented during the hour that was allowed for the discussion of the bill.

Mr. MONAGHAN. Will the gentleman yield? When was the hour allowed for that discussion?

The SPEAKER. The gentleman is out of order unless he first addresses the Chair.

Mr. WARREN. Mr. Speaker, I yield to the gentleman, but I will answer his question before he asks it.

Mr. MONAGHAN. Let me ask the question first.

Mr. WARREN. The resolution was brought in by the Rules Committee and an hour's time was devoted to its discussion.

Mr. MONAGHAN. On House Resolution 443?

Mr. WARREN. I am talking about the first resolution, and if the gentleman had been here when the second resolution was introduced, an objection by himself could have stopped it and this would not be up for consideration today.

Mr. MONAGHAN. Is the gentleman in position to say he is always on the floor promptly at 12 o'clock?

Mr. WARREN. No, indeed.

Mr. MONAGHAN. Or that every other Member of this House is here at that time?

Mr. WARREN. But I am always here, I may say to the gentleman, when anything of importance in which I am interested comes up for consideration. [Applause.]

Mr. MONAGHAN. I may say to the gentleman that I was not notified it was coming up, nor was the House. They brought it up without any notice being given to the membership.

Mr. WARREN. Mr. Speaker, it is going to be argued here today that the amount presented is not justified.

Without meaning to pass bouquets or compliments, I think we all agree that the personnel of this investigating committee is one of the ablest, one of the finest, and one of the best that has ever been appointed in this House. [Applause.] This applies to all eight of the Members. The gentleman from Missouri [Mr. BELL], the author of the original resolution, does not resort to back-alley tactics. He is a man of the highest character and integrity and, above all, a most estimable gentleman.

He came in here and in a very fine and forceful and vigorous speech told the House what he intended to do if the resolution passed; and they told the Accounts Committee, with all of the earnestness at their command, that they believed they needed this sum of \$50,000, and that they would conserve every single penny of it to the best of their ability.

Mr. KRAMER. Mr. Speaker, will the gentleman yield?

Mr. WARREN. I yield.

Mr. KRAMER. Will the gentleman also tell the House the queries that were made of the gentleman from Missouri [Mr. BELL] at the time the hearing came up on this resolution as to the break-down he had of the basis on which he was going to spend this \$50,000?

Mr. WARREN. Well, Mr. Speaker, I never tell what transpires within a committee, but since the gentleman has asked the question, I was the one who asked the gentleman from Missouri [Mr. BELL] to give us a break-down of what he intended to do with the money. He and the gentleman from Ohio [Mr. HOLLISTER] gave it to us the very best they could, and as a result of those statements the committee voted out the resolution for \$50,000.

Now, I am going to be asked later on if I will not permit an amendment to be offered to this resolution. The gentlemen who ask it know that the previous question is always called on resolutions presented by the Committee on Accounts as well as by the Committee on Rules, and certainly I shall move the previous question at the end of the debate. I hope very much the House will vote to order the previous question, but, of course, if it is voted down an amendment will be in order.

Mr. Speaker, I reserve the remainder of my time and yield 4 minutes to the gentleman from Washington [Mr. SMITH].

Mr. SMITH of Washington. Mr. Speaker, the sum of \$50,000 is grossly excessive, and I intend to offer an amendment, if the House will join in voting down the previous question, reducing the amount to \$10,000, which should be more than ample to defray all the legitimate costs and expenses of the investigation. As a matter of fact, all the records, papers, books of account, and files of the Townsend organization are here in Washington. The national officers of the organization are here, the national organizers are here in the Capital, and there is no reason why the investigation, in the main, cannot be conducted here in the city of Washington. The eight members of the committee are all lawyers, and there is no justification for employing expensive legal counsel.

Mr. MONAGHAN. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Washington. I yield to the gentleman from Montana.

Mr. MONAGHAN. Is it not true that the day this Resolution No. 443 was passed we met the previous night and we were assured by the gentleman from California [Mr. KRAMER] that the resolution would not be considered until the following day, and that the gentleman and I came into the Chamber about 10 minutes after 12, too late to make any objection to House Resolution 443?

Mr. SMITH of Washington. The gentleman is correct, although I do not attach to the passage of that resolution the importance that the gentleman does, for it undoubtedly would have been passed by this House in any event to supplant the original resolution.

Mr. Speaker, we are now confronted with the question of how much money we are going to devote to this investigation. We are now curtailing Government expenditures and have already cut the appropriations below Budget estimates in many meritorious items in the departmental appropriation bills which we have acted upon in this session, and in order to be consistent we ought to practice economy on a proposition of as doubtful value as this investigation. It has recently been announced in the press that the relief appropriation to feed the unemployed is to be cut in half. The present allowance is the meager sum of \$8.55 per week for a family of five persons.

I think one of the wisest things Will Rogers ever said, which was frequently quoted, was "As a Nation we have never lost a war and never won a conference." I should like to

paraphrase that and say that "As a Congress we have never lost an appropriation and never won an investigation." We ought to reduce this appropriation, for nearly every Member of the House will, in the cloakrooms, admit that this investigation will not be won and will be a fiasco.

It used to be the order in Congress to appoint investigating committees to "whitewash" certain individuals, groups, and organizations in the country, and vast sums of the taxpayers' money have been spent in the past for many so-called investigations of that character. We are now to have a new type of investigation and have "smearing" committees to "smear" certain groups and organizations, particularly the Townsend movement, in an election year, because these citizens have conceived a plan for old-age pensions and the redistribution of purchasing power among the masses and, by exercising their constitutional rights of petition, of freedom of speech, of freedom of the press, and of lawful assemblage, have convinced approximately 6,000,000 of their fellow citizens that their plan possesses merit and should be heard and debated and voted upon by their representatives in Congress. They have organized themselves into clubs in nearly every community in the Nation and are holding meetings which they open by singing America, followed by repeating the pledge of allegiance to the American flag, which is prominently displayed in all their meetings; and they usually close the meetings, which are devoted to a discussion of social, economic, and political problems by offering prayer, just as the flag of our country adorns this Chamber and as we open the sessions of the House with prayer by the Chaplain; and yet because of this fact they have been denounced and ridiculed by Members of this House for the patriotic and religious fervor manifested in their meetings. These thousands of Townsend meetings all over the country are very similar to the town meetings which were held by our forefathers in the early days of the Republic, and in which were formulated the principles and policies which constitute to this day the foundation stones of the Republic. Edmund Burke said, "You cannot indict a people." Mr. Speaker, I say you cannot indict the 6,000,000 citizens who are enlisted in the Townsend movement by "smearing" the leaders, even if you prove that they receive compensation for their services, or that someone connected with the movement has been guilty at sometime in the past of violating some city ordinance.

Mr. ZIONCHECK. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Washington. I am sorry I cannot yield. I have only 4 minutes.

The citizens of this country have the right peaceably to assemble and to petition the Government for a redress of grievances, pursuant to article I of the 10 original amendments to the Constitution, sometimes called our Bill of Rights. Article IV of the same amendments to the Constitution guarantees—

The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no warrants shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized.

Certainly, if this investigation is to be conducted in conformity with the Constitution, which we assume will be the fact, it is going to be rather limited; and this committee cannot engage private detectives to go into the homes and offices of these citizens and ransack their homes and offices and private, personal papers, and also interrogate them in violation of their constitutional rights by inquiring into their past lives, which would be unlawful and irrelevant and would have nothing to do with the real merits of the investigation.

Mr. Speaker, this is still America and not Russia. [Applause.]

[Here the gavel fell.]

Mr. WARREN. Mr. Speaker, I yield 1 minute to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Speaker, as the ranking member of the Committee on Accounts, I attended all the hearings on this resolution. Two members of the select committee appeared before the committee and three members who are opposed to the Townsend plan appeared before the committee. These gentlemen opposed this resolution.

Now, Mr. Speaker, as the chairman of our committee, Mr. WARREN, says, we are but the agents of the House. Only four Members out of 434 voted against this resolution for investigation, and then when the substitute was considered, not one Member voiced objection. We, the committee, representing the House, must accept that as a mandate that you want this investigation to proceed in an orderly way. If we fail to report a resolution to provide money for the investigation, we would be subject to criticism by the House. Mr. Speaker, you have appointed eight honorable men of outstanding ability to conduct this investigation. Some of the Members, I understand, are in sympathy with the plan that is to be investigated, one openly advocating its adoption.

We are told by those opposing the appropriation of money for the investigating committee that everything was clean; there was nothing to investigate; expert accountants made monthly reports. Then what is to be feared if everything is now and has been conducted in a proper manner.

It seems to me if those who are in favor of the Townsend plan know that it is sound and know that nothing will be found, they, themselves, should be backing this resolution to the limit, because, in the end, if this select committee finds nothing whatever wrong, then I should feel that the Townsend plan had received a great deal of advertising that it otherwise would not have received. I repeat, Mr. Speaker, those advocating the plan should welcome the investigation. [Applause.]

[Here the gavel fell.]

Mr. WARREN. Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. STUBBS].

Mr. STUBBS. Mr. Speaker, I understand that the Department of Justice and the Post Office Department have investigated the Townsend movement, and both of these departments have given that movement a clean bill of health.

I also understand that the fund from which \$50,000 is to come from has been overdrawn by \$105,000. I also understand that this is the taxpayers' money.

Mr. MONAGHAN. Mr. Speaker, will the gentleman yield?

Mr. STUBBS. I decline to yield. It is my conviction that because of the fact that the national headquarters are here, the papers are here, the books are here, that \$10,000 would be sufficient for the carrying out of this investigation. If the investigating committee is going to investigate all of the Townsend clubs and all of the Townsend people in this country, Gabriel will blow his horn before the investigation is concluded, and it will cost millions. [Laughter and applause.]

I am fearful that in the excitement of the investigation it may turn out to be somewhat of a persecution, not because of the committee but because of the sentiment of the people who demand this investigation.

I should like to call upon my colleagues to vote down the previous question, so that the Smith amendment of \$10,000 will be permitted to prevail. I think that sum is sufficient. Even the sum of \$10,000 would be a waste of time and the people's money.

The Townsend people—God bless them—are not calling for this investigation; but now that it has been forced upon them, you will find them cooperative.

Again, I should like to call attention to the statement of Gamaliel, the greatest lawyer, statesman, and philosopher of nineteen hundred years ago, who said to the people under like conditions that if this movement that has recently arisen in our midst is not of God it will come to naught; but if it is of God, it cannot be destroyed.

I say to you, my colleagues, if this movement is right, it cannot be destroyed. I call upon you to take the advice of at least one great man of those nineteen hundred years ago, whose words would apply today. [Applause.]

Mr. WARREN. Mr. Speaker, I yield 1 minute to the gentleman from Oregon [Mr. PIERCE].

Mr. PIERCE. Mr. Speaker, the question of investigating committees is receiving a great deal of criticism in this country. We are investigating everything, and a constant series of investigations are being officially ordered by both the

House and the Senate. It seems to me it would be the better part of wisdom for the House to hold down the amount of money to be expended. So far as I know, the Townsend people are perfectly willing to have the investigation made, but they think the amount of money, \$50,000, is altogether too much. I think so, too. Therefore I shall vote against the resolution to provide \$50,000.

The SPEAKER. The time of the gentleman from Oregon has expired.

Mr. WARREN. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. COLDEN].

Mr. COLDEN. Mr. Speaker, the request for such an exorbitant sum of \$50,000 for the investigation of the various pension and promotion schemes smacks of persecution rather than of an investigation. From current reports it is evident that this so-called investigation is directed largely at the Townsend pension plan. Now, the Townsend organization, as I understand it, is not hidden in a mystery maze like some of our giant corporations, but is a simple organization directed by Dr. Townsend and two associates. I am further informed that the principal records are kept here in Washington at the Townsend headquarters. I am also informed that the principals in the Townsend organization are ready and willing to appear before the investigating committee in Washington to furnish any and all information at their command. Certainly nothing like \$50,000 is required for an investigation right here at the doors of the Capitol. It seems to me it would be a far better procedure to appropriate \$5,000 or \$10,000 at the utmost, and later, if the committee finds it is necessary, further appropriations could be made in accordance with the judgment of Congress.

No one entertains any doubt whatever as to the purpose, the integrity, and the good faith of the millions of members of Townsend clubs throughout the country. These people are asking that Congress consider a measure in which they are concerned. I believe they have that right. I believe that everyone will concede that these people are within their rights in joining Townsend clubs and in helping to maintain the organization, and I, for one, believe that an overwhelming majority of these members are acting in absolutely good faith. What could shake the confidence of these aged people more than to find a Congress that denies them a hearing on one hand and then votes a \$50,000 investigation on the other? This appears to me to be an unfair proposition, consequently I shall not support a \$50,000 appropriation.

I believe it would be much fairer and the right thing to do to bring the Townsend plan, or the McGroarty bill, on the floor of the House and give adequate time for a thorough investigation of its provisions. That would be a far more equitable procedure and would go much farther to solve this problem than an inquisition of Messrs. Townsend, Clements, and Smith. If these gentlemen are guilty of any infractions of the law, those who are familiar with the facts could relieve Congress of an expensive gesture by referring the matter to the Attorney General, either of the Federal Government or of the various States.

It is true that the Ways and Means Committee, in its judgment, has not reported out this bill. It is also true that those of us who have tried to bring the bill to the floor by signing a discharge petition have been unable to secure the required signatures. But I believe the Ways and Means Committee could report out the bill, without recommendation, without surrendering either the dignity of the committee or the honest convictions of its members. The Rules Committee, on a previous occasion, was exceedingly generous to the Townsend advocates in bringing the submission of the McGroarty bill as an amendment to the social security bill. I believe it was generally recognized that the Townsend plan was not germane to the social security bill and would have wrecked it if adopted. But with the limitations upon debate the Townsend plan did not have a Chinaman's chance. The Rules Committee could certainly arrange to give proper time for a thorough discussion of a pension plan that is sweeping the Nation.

It is my conviction that the aged people of this Nation and the proponents of the Townsend plan have an absolute right to ask for the consideration of their cause. Evasion of this

issue, ridicule of its provisions, persecuting its leaders by investigation is no answer to this problem. As one Member of this House, I believe it to be our duty to forego the expenditure of an extravagant sum and to ask the Ways and Means Committee to report out the McGroarty bill, without recommendation if the committee cannot agree, and give it a fair hearing and its day in the legislative forum. If the Townsend plan is impossible and impractical, a full hearing on this floor will bring these defects to light. If this Townsend program proves to be logical and sound, then we, as Members of Congress, and the people we represent have nothing to fear. Let us bring the Townsend plan on the floor, pour on the light, the public will be familiarized with its benefits and its defects, its aged proponents will have had a fair deal, they will know why the bill is defeated or is passed, and such procedure will sustain their faith in our country and in democratic principles.

Mr. WARREN. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. MORITZ].

Mr. MORITZ. Mr. Speaker, I was one of the four who voted against the resolution originally, and I am proud of that vote. I am also against this \$50,000 appropriation for an investigation. Last October I was in Chicago and attended the Townsend convention. In that convention a special time was devoted to complaints. Not one person had one complaint against this organization. I am against this investigation because the postal authorities have made a thorough investigation of this movement and the postal authorities have given them a clean bill of health. This investigation is not warranted or called for. You cannot fool the people all of the time. They know that this investigation is made against the movement because it might interfere with some election. If the Townsends were all Democrats, you would never have gotten this investigation. I challenge the Rules Committee to grant a rule to investigate some methods of the W. P. A. and see just how fast we will get a resolution out for that. Of course, we will not get an investigation against that; everybody knows that. This investigation is uncalled for; it is only for political purposes; and the Townsends, as well as the people of the United States, know this is unwarranted.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. WARREN. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. MAIN].

Mr. MAIN. Mr. Speaker, I propose to exonerate the name of a well-known American character from the stigma which has lately attached to it. The great Daniel Boone no longer will turn in his grave at the use of the word "boondoggle." The Bell committee comes seeking a boon of \$50,000. The chairman of the committee comes from Missouri, a State that specializes in dogs—hound dogs—that howl. Perhaps from this day forward we can relieve the lexicographers of further study on the derivation of the grand old word "boondoggle." The gentleman from the hound-dog State seeks a boon of \$50,000. Mr. Speaker, the proposed appropriation is one of the finest examples of "boondoggling" that has come to the attention of the American Congress.

Behold, a country doctor proposes a bold remedy for the distress of needy, law-abiding elderly people. The Federal Government does other things in a big way. Our country doctor proposes that the Federal Government square itself with these elderly people in a big way. Perhaps the bigness of the proposal has proven to be a handicap to the friends of old-age pensions. But Uncle Sam does other things in a big way. Why not ask him to do a big thing for the people who devoted a lifetime of useful service to the things that have made Uncle Sam big?

Congressmen begin to hear about the proposal. Some of them think it fantastic and say so; but they continue to hear about it. This being a representative form of government, some of the writers say they will work to elect someone who will represent their views. Then a special election is held in Michigan, and it appears that followers of the country doctor really have the ability to get representation on the question of a just and generous Federal pension for deserving, elderly, law-abiding citizens. The followers of the

country doctor write more letters to their Congressman, and this seems to irk the Congressman still more. The Congressman is not satisfied to take his typewriter on his knee and write a letter on Government stationery with free postage saying that this is a matter on which there is a difference of opinion, as in the case of birth-control, the long- and short-haul, block-booking, blind-selling, and chain-store legislation.

Eight Members of Congress—in reality six Members, because we do have two friends on the committee—drawing \$833.33 salary per month are all hot and bothered because the country doctor in a mood of suppersalesmanship talks about \$200 a month for the pensioners. Someone with a flair for publicity puts forward a bold idea and captures the headlines and the editorial pages. Result, the gentleman from Missouri and the gentleman from Michigan, two of the members of this special committee, get excited about the \$200 per month which is named as a maximum in the McGroarty bill. They fail to give other Congressmen credit for sufficient intelligence to know that the McGroarty bill does not guarantee a minimum, and they fail to make a case against the 2-percent transactions tax, which is the bone and sinew of the old-age revolving-pension plan. But they come before this body and ask for \$50,000 to carry on their investigation. Fifty thousand dollars is equivalent to the imposition of a 2-percent transactions tax on \$2,500,000 turn-over of the business of this country. They want \$50,000 to hire an attorney to help the gentleman from the Fourth District of Michigan cross-examine the mild-mannered Dr. Townsend. They want \$50,000 to convince the old people of their districts that you can not get \$200 for 10 cents. The committee knows that schools, churches, and lodges do not have to pay for the fuel and lights they use, so they want \$50,000 to show the old people how foolish they are to drop money into the collection plate at Townsend meetings.

Fifty thousand dollars would provide employment for 50 men on a W. P. A. project for a whole year. But the Bell committee wants \$50,000 to prove that Dr. Townsend is a crook. Fifty thousand dollars would keep 100 young men in a C. C. C. camp for a whole year. But the Bell boondogglers want \$50,000 to prove that speakers at Townsend meetings have no traveling or living expenses.

Fifty thousand dollars would buy 10,000 acres of cut-over land in Michigan on which trees could be planted to serve our children and our children's children. But the gentleman from the Fourth District of Michigan says, "Help Hoffman" by giving the Bell Committee \$50,000 to hire stenographers in Washington and to pay the fees of an attorney from Kansas City.

Fifty thousand dollars would provide a year's training at West Point for a dozen additional cadets. But these boondogglers want \$50,000 to prove that the members of Townsend Clubs need guardians. Fifty thousand dollars would defray the expenses of 500 veterans of the Civil War living in Michigan who would like to visit the Capital which they defended before they die. But these investigators ask for \$50,000 to provide six or eight Congressmen with a joy ride to Los Angeles to find out how Robert E. Clements operated when he was in the real-estate business. Fifty thousand dollars would provide 25 additional homes for families entitled to the benefits of resettlement. But this resolution proposes to appropriate \$50,000 to the Bell inquisitorial special committee who prefer to meet the opposition behind the cloak of congressional immunity instead of going out on the stump and facing the issue on its merits.

In the United States of America a bell is the symbol of liberty. The Bell at Independence Hall that rang out on that July morning in 1776, proclaimed the completion of a Declaration of Independence, and in that immortal document we find these words:

That all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness. That to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed.

I make so bold as to say that while the Federal Government has not encroached upon the life and liberty of our

elderly law-abiding citizens directly, nevertheless the Federal Government indirectly, by its sins of omission as well as commission, has deprived these elderly law-abiding citizens of much of that which makes life and liberty worth having.

And now the gentlemen from Missouri and the Fourth District of Michigan come before this body and ask for an appropriation of \$50,000 to use in interfering with, disrupting, and attacking harmless, peaceable meetings of good American citizens who see fit, as one outlet in their pursuit of happiness, to attend Townsend meetings, pay dues, and buy literature put out by Dr. Townsend.

We know that the Bell of 1776 is cracked and can no longer ring out the message of independence and liberty. Perhaps in this present day we have another bell that has lost the faculty of proclaiming liberty in the pursuit of happiness for our humble elderly citizens scattered throughout the land. And so these members of this special committee, or a majority of them, come before this Congress and ask their colleagues to appropriate \$50,000 of the people's money to help these other Congressmen who have not the wit, the patience, or the wisdom to meet the issue on its merits in their respective congressional districts.

(Whistle) Come Boon! Come Boon!

(Whistle) Come along little doggie: come along.

Mr. WARREN. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. BELL].

Mr. BELL. Mr. Speaker, I have been receiving some of the best entertainment I have had for a long time. The gentleman from California [Mr. STUBBS] has said—and I took down his words—"The Townsend people are not calling for an investigation." That may be true, but I say this: A lot of people who used to be Townsend people, but who are now disillusioned, are calling from all quarters of the United States for an investigation.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. BELL. Yes.

Mr. COX. Does not the gentleman recall that the gentleman from Washington [Mr. SMITH] appeared before the Rules Committee urging the adoption of the rule making provision for the consideration of the resolution?

Mr. BELL. I recall that distinctly. We have had a lot of jumping back and forth, blowing hot and cold, since the original resolution was introduced. I recall quite well the first meeting of the Rules Committee, when the gentleman from Washington appeared before the committee during the course of the first hearing that morning, I think it was a Thursday or Friday. He said, "Gentlemen of the committee, I want to appear before this committee in opposition to this matter." Another hearing was set for the following Monday morning so he could be heard. In the interim between Friday and Monday a certain meeting was held, I am told, at which a gentleman named Clements was present and gave his advice, and upon the following Monday morning the same gentleman from Washington, who said he was going to oppose it, again came before the Rules Committee and said, "We have no opposition to the adoption of this resolution." They said, "Yes; we welcome an investigation", and a day or so afterward the Townsend Weekly came out with a great red headline across the top claiming that they themselves had demanded and forced the investigation, and that all the Townsend people wanted the investigation.

Then another gentleman complained this morning because he and his friends were not here at 12 o'clock the other day to vote against the last resolution that came out, although they had previously announced they were unanimously for the investigation.

Mr. MONAGHAN. Mr. Speaker, will the gentleman yield?

Mr. BELL. Mr. Speaker, I decline to yield.

Then we have the ridiculous spectacle of our friend coming in here and saying, "We want an investigation, but we do not want you to have any money with which to conduct it." They say, "All the books are right here in Washington and our auditors have already made an audit." They say in substance that all we have to do is hand it to you on a silver platter and you can look it over at your homes. Now, that is not what we want to do, because it will not assure

a true investigation. It would only present the Townsend picture. The people of the United States are entitled to the real facts lying back of this movement, which is the most gigantic, the most far-flung political movement that has swept across the stage of American politics in recent times. Such an organization perhaps has never before been thrown together. They have offices in the city of Washington. They have offices in New York City. They have offices in California. They have offices in Chicago. Those are the great area offices.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield for a question?

Mr. BELL. I decline to yield.

Aside from those four great area offices and their national office in Washington, there is a director in every State who, I understand keeps books, and, aside from the directors in every State, there are directors, or whatever they are called—they have some special title for them—in every congressional district where they have taken a foothold. Now, if we are going to have an investigation, let us make it a real one. I appeal to you Members, if you are sincere in believing that the American people ought to know the real facts about this, not to cripple us. Give us enough money to get down to the bottom of it. Do not put us in the position of having to be content with receiving the figures which they hand us at the Washington office.

The announcement was made by one paper a few days ago that they—the Townsend leaders and officers—have been ready for us for many weeks. They have brought to Washington the greatest battery of high-priced counsel, I am told, that has visited this city for some time.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. BELL. I decline to yield.

The papers the other day carried the names of lawyer after lawyer who are said to have come here to Washington to assist them in this matter.

Complaint is made because we have employed one young man to assist this committee as its counsel. I appeal to you that \$50,000 is the very smallest sum with which we can possibly hope to even make a fair investigation.

The SPEAKER. The time of the gentleman from Missouri [Mr. BELL] has expired.

Mr. WARREN. Mr. Speaker, I yield 2 minutes to the gentleman from Colorado [Mr. MARTIN].

Mr. MARTIN of Colorado. Mr. Speaker, no Member who supported the McGroarty bill in the last session of Congress could afford to take a position of opposition to the investigation. Everybody who knows anything knows that. That is the answer to that.

As far as I am concerned, my reaction to the investigation was unfavorable from the start. I want to say now that I cannot see any need of voting the sum of \$50,000 or \$10,000 to investigate old-age-pension promoters or old-age-pension plans.

Mr. MONAGHAN. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Colorado. No; I am sorry I cannot yield.

Unquestionably it is the plan and not the promoters against which this investigation is directed. The original resolution—No. 418—instructed the committee "to inquire into the acts and conduct of any person, and so forth, promoting old-age-pension schemes." As has been stated, those persons, their organization, and their books are all here in Washington, and they are available. They offer to turn them over. No money need be expended, in a preliminary way at least, for this purpose. However, the last resolution—No. 443—instructed the committee "to inquire into old-age-pension plans, particularly that embodied in H. R. 7154, the McGroarty bill, now pending in the United States Congress."

Now, that plan needs no investigation by this committee. It was investigated in the last session by the Ways and Means Committee, and there is a large volume of evidence in the hearings. It has been investigated by economists all over the country, and the results of their investigations have been radioed to the world. Investigations are coming to Members' offices every day. You can do all the investigating you

want to by reading the literature coming to your offices that has been written against this plan.

I have been investigating this plan myself for a year and a half. I have found some things for it and some things against it. If the plan needs investigation, certainly a committee of this character is not qualified for that purpose. It should be done by the Ways and Means Committee in regular hearings or by bringing it out on the floor of the House, as many of us have petitioned.

I want to say to you that no more popular thing could be done by this Congress to restore Congress in the minds of millions of people and convince them that we are not trying to persecute this movement than to vote down this resolution to appropriate \$50,000 for this useless investigation.

Mr. Speaker, let me show you something peculiar about this appropriation resolution. I have already pointed out that the first resolution adopted called only for an investigation of promoters of old-age-pension plans, and that the second resolution adopted called in addition for the investigation of old-age-pension plans. Now, this resolution we are considering—that is, House Resolution 447—reads as follows:

Resolved, That the expenses of conducting the investigation authorized by House Resolution 447, incurred by the select committee instructed to inquire into the acts and conduct of any person—

And so forth—

purporting to promote, organize, or further old-age-pension schemes, not to exceed \$50,000—

And so forth. What I want to point out is that nothing is said in this appropriation resolution about investigating old-age-pension plans. It raises the question whether the committee would have any right under the above language to make such an investigation. But whether it has the right or not, there is certainly not the need. I do not anticipate that this investigation will shed any light on the Townsend plan. In fact, I am furnished free more information on it than I have time to read and digest.

Mr. Speaker, why single out the Townsend plan for investigation, as is specifically done in Resolution No. 447?

Is Congress any more interested in the internal financial affairs of this movement than of dozens of other movements? There is no charge that any of the funds of the movement are being used for corrupt purposes or for lobbying. There is in fact no lobby here in Washington for the McGroarty bill. The lobbying is all back home, and you cannot stop that.

This will be the smallest financing plan ever investigated by Congress, only 10 cents a month. About 15 years ago an agrarian organization swept the Grain Belt. It was owned by three men. It elected State tickets. The membership fee was \$16. A dozen years ago a secret society, revived in the South, swept the West, and carried everything political before it. It was owned by one man, and the membership fee was \$10. There is an organization now in the South, with a far more grandiose scheme than the Townsend plan, to make every man a king. It was in the sole ownership of one man, copyrighted by him. There is a social-justice political movement in the North under the sole control of one man, supported by contributions, and proposing, like the Townsend plan, to elect a Congress. There is an organization in the East controlled by the most brilliant corporation lawyers in America and allegedly financed by the great business interests, which proposes to overthrow this administration and restore corporate rule in national affairs. Has any action ever been taken by Congress to investigate any of these schemes? Why not investigate the merits of communism? Of socialism? Of E. P. I. C.? To ask all these questions is to show the injustice and futility of the undertaking.

Mr. Speaker, an adequate system of pensions which will assure the aged people of this country a life of independence in decency and comfort would be the crowning glory of our civilization. They are all entitled to nothing less, the great majority of them would ask nothing more.

Is such a system of pensions reasonably within the means of the American people? Can we support such a system

without unduly taxing our economic resources, our national income? We have never done this, we have never even approximated it, we have never even tried. No nation has. It would, I admit, be something entirely new under the sun.

I shall undertake to answer this question, or, better said, to advance some suggestions which may be helpful to others as it has helped me to the view that it is reasonably within our means to provide the aged people of the country, who find themselves without sufficient means of support and are dependent upon charity, either public or private, an income which will enable them to live independently and comfortably. Such a system of pensions would not only be the greatest blessing which society could confer on its aged people, but it would remove the greatest anxiety gnawing at the hearts of all people, the fear of a destitute old age.

Once in a great while an idea occurs to me which broadens my range of vision. I welcome the occurrence of these new ideas as an assurance that I have not yet mentally fossilized, that I am still capable of new thought and new vision.

Not long since I read the very able speech delivered by Governor Eccles, of the Federal Reserve Board, at the convention of the American Bankers Association at New Orleans last November. In the course of his speech Governor Eccles drew attention to the fact that in dwelling upon the increased national debt incurred under this administration, only one side of the picture was being presented, that nothing was being said about the increase in wealth during the same period of time, and he gave statistics which I shall not go into now, showing the enormous increases in stock and bond values, in bank deposits, in agricultural income, in wages, in industrial and business profits, several times outweighing the increase in the public debt.

The statement which gave me a new idea was Governor Eccles' quoting of Macaulay, the eminent British historian, at a time when the historian was combating the very criticism then being leveled against the British Government that is now leveled against the present administration. Macaulay pointed out that the British national debt at that time was £800,000,000. He then went back to a time when it was only £80,000,000. He then showed an immeasurable increase in the wealth of England over the former period and the great betterment in the lot of the English people; how the whole standard of life had raised contemporarily with this increase of debt.

Now—

Said Governor Eccles—

today the British debt is not merely £800,000,000, as in Macaulay's time, but £8,000,000,000; but again there has been a commensurate increase of British wealth and corresponding betterment of the lot of the people.

Yet the debt of England had increased tenfold by tenfold, meaning a hundredfold, from the earliest to the latest period.

As I read, the pension plan which is now a subject of national controversy and of approaching investigation by the House of Representatives, jumped into my mind. Even though it furnishes a goal not now attainable, or ever attainable, the question arose, May it not furnish unexplored possibilities? Is the past a sufficient answer to it?

I had another thought. It was with regard to wages. I was reflecting upon a news item growing out of a building strike and the claim that the wages of certain craftsmen were too high. I coupled this news item with a similar claim regarding high-wage conditions growing out of and immediately after the World War, and to which I had been inclined to give some credit. Now, I saw in a flash that the idea of high wages, or too high wages, was based upon a background reaching to the dawn of history—a background of low wages and no wages. Since then I have been inclined to question the view that wages can be too high.

The same negative background holds good as to other great advances made by mankind. History is about 5,000 years old. It is only 150 years since the preamble of the Declaration of Independence was treason, punishable by death. When Jefferson said "We hold these truths to be self-evident, that all men are created free and equal" no such truth was self-

evident, no such truth had been evident throughout all recorded history. With that declaration a new idea of human rights was born into the world. The treason of the Declaration of Independence was that it was backgrounded upon 50 centuries of the divine right of kings.

It is a fair question whether we are not limited by the same background in our view of old-age pensions. What is that background? Measured in terms of history, it is 50 centuries of no pensions, no provision whatever for the aged. Only the poorhouse. Measured by the centuries, it is only yesterday that any such idea of old-age security found expression, and then only in the most limited and meager way.

"Before the immense possibilities of man", said Emerson, "all mere experience, all past biography, shrink away."

Now, I am not going to argue from this premise that we can cut loose from all standards, from all rules of guidance. There are some features of a social-security program which I have thought out in my own mind to fairly clear conclusions, some standards or rules of guidance, and I want to state them here. I think you ought to have them for what they may be worth:

First. An economic system cannot be built upon and supported by a system of social security. The system of social security must be built upon and supported by the economic system. If we are to have an adequate old-age-pension system in this country, we must have as its foundation an adequate system of incomes from other sources to support it. And I will add that the more adequate the system of incomes the less need there will be to draw upon old-age pensions. At this time I could not qualify for an old-age pension even under the very liberal McGroarty bill, and I trust I will never be able to qualify.

Second. Pensions, whether for old age, unemployment, military services, or for any other social need, are not a primary addition to the wealth or income of the country. They are a sharing of the wealth or income by the more fortunate with the less fortunate. To the extent that we can take from those who get more than they spend and hoard it, and distribute it among those who need it and must spend it, we will get an increased purchasing power and improved general conditions, and I am strongly in favor of this; but the pension must come from a sharing of income, and this sharing of income, if we are to provide for all of our aged in decency and comfort, must reach into all incomes, big and little. It will take so much there is no other way. And if and when the income fails the pension will also fail.

Third. A pension system should have some basis in, some relationship to, the existing order of things. Let us look about for a moment and see what the existing order of things is, what we have done and are doing in any fields in the matter of old-age pensions. Let us look about for some standards of guidance, if any such standards exist.

We shall find little guidance in the way of general old-age pensions provided by government. A number of the States in recent years have passed old-age pension laws. None of them runs over \$30 per month. My own State is perhaps a fair illustration of the operation of these State pension laws. The law calls for \$1 a day, but in some counties the pension has been as low as \$6 to \$8 per month, and not paid in some months. It is utterly inadequate and uncertain. It is a source of constant and bitter disappointment and dissatisfaction. It is unworthy of our civilization and much below the standard of our ability to pay. State old-age pensions shed little light on the possibilities in the field of social security.

In the Federal domain we find no light. The last session of Congress took the first step in general old-age-pension legislation by the Government of the United States. It was a very limited step. It was disappointing to those who want to see suitable provision made for the aged people of the country. It only adds little to little—the mite of the Government to the mite of the States. But it was a beginning; and perhaps it was too much to expect, when all of the States had done so little for their aged people, that the Federal Government at the start-off would do a great deal.

Obviously, if we want an adequate old-age pension, we cannot look to the record of past public performance, either by the Federal Government or the States. We may, however, look elsewhere and find some accomplishment considerably above either of these performances. In the hearings before the Ways and Means Committee on the social-security bill it was developed that there are 150,000 or more industrial workers in the country in receipt of company- and trade-union pensions which average about \$65 a month. Government employees may retire on pensions of up to \$100 a month. Veterans' pensions range up to \$100 a month. The Railroad Pension Act of the last Congress carries a maximum of \$120 per month and an average of about \$80 per month. Certain groups of municipal employees retire on pensions ranging from \$50 to \$100 per month. There may be some other systems, but these are the main ones which have been called to my attention.

I have in mind a man who is younger than I. He is retired on a pension of \$100 a month. He is an active, vigorous man, now engaged in other affairs. I rather envy his lot. If we were able to do as much for every other man, the social millenium would be just around the corner. Perhaps the main reason we have not at least approximated that condition for all aged people is because we have not thought we could do it and have not tried to do it. Old age was left to dependence on relatives, to public charity, or the poorhouse. Some few organized groups in government and in stable fields of employment have seen to it that retirement through age means a continued existence in security, decency, and comfort. Is the achievement of this much-to-be-desired condition beyond the reach of all the needy aged of the country? I affirm with the utmost conviction that the answer is not to be found in the past.

Mr. Speaker, in my judgment, much of the discussion about the Townsend plan goes too far afield for practical purposes. I think we need not concern ourselves with the question whether it furnishes a new economic system, or will pay off the national debt, or will replace all other forms of taxation, or will cure all our economic ills, and so forth. I do not think such claims are helpful to the reception of the plan. The Townsend plan is now embodied in the McGroarty bill, H. R. 7154, which it is proposed to investigate. The McGroarty bill levies a transaction tax and distributes the proceeds of the tax pro rata among the pensioners, less the amount of the pensioner's income from other sources. The transaction tax is the heart of the plan. It is irreplaceable. While great incomes should bear their due proportion of the cost, no other system of taxation could be devised which could even approximate the amount required for the payment of pensions under the Townsend plan. The transaction tax, therefore, is the Townsend plan.

The transaction tax is the germ of an idea opening up new resources and possibilities in the field of taxation. I am not an economist, I am not a tax expert. But as this proposed legislation has revolved in my mind the impression has formed and grown that we can go beyond the tax means of the past and support an old-age pension beyond the present very low standards without unduly burdening the resources and processes of our economic life.

This is the thing upon which my mind concentrates and which I should like to see done. I should like to see the transaction tax competently analyzed and a study made of its application in the various fields of the national economy. Perhaps in some fields the tax could be increased, in some decreased, in some cut out. Perhaps it should be graduated. The amount of revenue in each of the major lines of commerce, industry, and agriculture could be approximately estimated and an appraisal made of the attendant burden of the tax. In some cases the tax may be more burdensome than profitable. Some highly concentrated forms of industry and commerce may escape taxes which would fall on independent systems. Questions such as these are what I should like to see worked out. I have confidence there would still remain the revenue to support a system of pensions which would take the shadow of want and destitution from the heart of old age.

The SPEAKER. The time of the gentleman from Colorado has expired.

Mr. WARREN. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. FORD].

Mr. FORD of California. Mr. Speaker, we just listened to the gentleman from Missouri [Mr. BELL] make an indictment against those who oppose the use of \$50,000 for the investigation of the Old Age Revolving Pension Fund, Inc. The need for this investigation, according to the gentleman from Missouri, is based largely on the fact that this organization has offices in various parts of the country, and that each of these offices must be investigated. Since when has it become criminal or subject to investigation for any organization to have offices in all parts of the country?

It has been stated today that the books, papers, and accounts of the Townsend plan are in Washington. They are open for investigation by the investigators or accountants of the committee. Why in the world they need \$50,000 for such an investigation is beyond my comprehension. I have no objection to an investigation, nor does the Townsend organization object to the investigation. But I do certainly object, at a time like this, to spending \$50,000 on an investigation that can be readily conducted here in Washington for five or ten thousand dollars.

Mr. MURDOCK. Will the gentleman yield?

Mr. FORD of California. I yield.

Mr. MURDOCK. Is this not the fact, that no investigation of this type is justified by this House unless it is conducive to the enactment of legislation? Our friend from Missouri has failed utterly to advise this House what legislation he has in mind even if his investigation proves successful.

Mr. FORD of California. That is true. I thank the gentleman for his contribution.

Mr. CONNERY. Mr. Speaker, will the gentleman yield?

Mr. FORD of California. Yes.

Mr. CONNERY. We had an almost similar situation before the Committee on Labor, but in that case there was actual fraud. We had under consideration the old-age-pension bill. We produced evidence before the committee without any special investigation on the part of the House and broke up that racket.

In the present situation both the Department of Justice and the Post Office Department have given a clean bill of health.

I do not think any investigation is needed. [Applause.]

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. FORD of California. I yield.

Mr. O'MALLEY. If this \$50,000 is appropriated, I would ask the gentleman from California whether most of it will not be spent in California?

Mr. FORD of California. I question that; it will be spent all over the country.

Mr. O'MALLEY. It is a nice season to go to California, it is springtime.

Mr. FORD of California. It is always springtime in California.

Mr. Speaker, I refuse to yield further.

If the Congress would spend the same amount of time and energy and money on open discussion and intelligent study on the floor of this House on the McGroarty bill that it is devoting to investigating and attempting to ridicule that bill, I am certain that the attitude of the thinking Members of this body would quickly change their minds as to the merits of the Townsend plan as represented by the McGroarty bill.

Mr. Speaker, I want to say in conclusion that it is my judgment that \$10,000 is ample to make this investigation. I hope the Members of the House will vote "no" on ordering the previous question, thus enabling us to amend the resolution to call for \$10,000 instead of \$50,000.

Mr. WARREN. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. HOLLISTER].

Mr. HOLLISTER. Mr. Speaker, a great deal has been said today which is entirely beside the question. The House adopted a resolution to have this investigation committee

appointed and the committee has been appointed. We assume, therefore, that the House wishes the investigation to be made.

The only problem today is how much money should be allowed the committee to perform its duties adequately and to fulfill the mission which the House has given to it. We asked for \$50,000 after due consideration of the time element involved and the magnitude of the problem. It may be that our work can be completed with the use of only a small part of that money, but we know that we are faced with a far-flung organization which has offices in all parts of the country, and it may be necessary for us to send people to various parts of the country before we can collect completely the information we wish to gather.

A great deal has been said about search and seizure, and about persecution. If there develops any element of unwarranted search or seizure or persecution in this investigation, I am sure those who may suffer from it will find in me their warmest and most ardent defender. I have accepted membership on this committee with the idea that we shall do the job the House has given us and do it just as well as we can with as little publicity as possible and with as little infringement of any private right as may be possible under the circumstances.

Mr. SMITH of Washington. Mr. Speaker, will the gentleman yield?

Mr. HOLLISTER. I cannot yield.

Mr. Speaker, Congress will only be in session, in all probability, for an additional 2 months. We believe that time is of the essence. Rather than to string this matter out over a long period of time we believe it should be completed in a few weeks, if possible. As far as I am concerned, if it is necessary to put 20, 30, or even 50 men on this work, I believe we should do so, and do it quickly, rather than carry on with fewer men over a longer period of time. We believe it will more fully follow the desires of the House to have this investigation completed in 2 months by the use of more people rather than in 6 months by the use of fewer people, and this is why we are asking for this amount of money.

Mr. WARREN. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. McGROARTY].

Mr. McGROARTY. Mr. Speaker, not everything that comes before this House impresses me, as perhaps it should. I was brought up and trained as a newspaper man, and newspapermen become a little cynical; so I am not greatly impressed by the attempt to make this a serious matter.

I recall a reported incident in the House of Parliament in England many years ago when an Irish member, Sir Boyle Roache, rose in his seat on an occasion like this and uttered these immortal words:

I smell a rat; I see it in the air; I shall nip it in the bud.

[Laughter.]

Fifty thousand dollars of the harassed taxpayers' money is being asked to smell a rat, to see it in the air, and to nip it in the bud.

Mr. CONNERY. Mr. Speaker, will the gentleman yield?

Mr. McGROARTY. I yield.

Mr. CONNERY. Does it not occur to the gentleman as being peculiar that we are now proposing to spend \$50,000 for an investigation of organizations interested in old-age pensions, yet since the month of January we have had pending before the Rules Committee a resolution to investigate the Power Trust and Radio Trust of the United States, but cannot get any action on it?

Mr. McGROARTY. Yes.

Mr. MONAGHAN. Will the gentleman yield?

Mr. McGROARTY. I yield to the gentleman from Montana.

Mr. MONAGHAN. Is not the basis of our opposition to this resolution the wasting of \$50,000 of public money?

Mr. McGROARTY. Yes; the gentleman is correct.

[Here the gavel fell.]

Mr. WARREN. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. BUCK].

Mr. BUCK. Mr. Speaker, people who deal in terms of a \$200 a month payment to individuals, totaling \$20,000,000,000

of money to be raised every year from taxpayers, should not be frightened at the expenditure of this insignificant sum of \$50,000, which is one-fourth of 1 percent of the amount that they desire to tax us annually.

But that is not the reason for my rising this afternoon. I want to bring some reassurance to the gentleman from California [Mr. STUBBS], who declared that the Townsend leaders have not asked for this investigation, and to the gentleman from Pennsylvania [Mr. MORITZ] and others, who more or less expressed the same sentiments. The investigation authorized by House Resolution 443 was not only asked for but specifically demanded by Townsend leaders.

On Sunday, March 1, 1936, Edward J. Margett, State area manager of the Townsend plan for California, was scheduled to deliver a radio address in reply to the very able analysis of the plan recently presented by our colleague, Hon. CLARENCE F. LEA, of California. This plan was abandoned and changed to an explanation, at the request of Townsendites, of the attitude of their leaders toward the present investigation.

In this radio address Mr. Margett said:

We welcome the present investigation of the Townsend plan because it places Congress on the spot; but is it an investigation of the Townsend plan or an investigation of our organization with the idea of throwing up a huge political smoke screen?

Mr. Margett's speech was addressed to the United States House of Representatives, and he further asked whether the present investigation would include the Townsend plan itself.

If it does not—

Said Mr. Margett—

then it will be quite plain that the investigation of the Townsend movement was made in the hope of diverting the minds of the people from the Townsend plan.

House Resolution 443 was adopted by the House to meet this specific request that there might be no question of the powers of the committee to investigate and report on the plan as well as the financial methods of its promoters. The challenge of Mr. Margett has been answered by this resolution. I submit, in all fairness to the investigating committee which brought in the amended resolution, that the Members of the House should recognize that in adopting it they acted upon a definite request of the Townsendites.

[Here the gavel fell.]

THE TOWNSEND PLAN

Mr. WHITE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. WHITE. Mr. Speaker and Members of the House, what benefit are the people of this country to derive from the passage of this resolution to appropriate \$50,000 to investigate the Townsend plan and the people sponsoring this legislation? The proposal made in this resolution is absurd and would be a waste of public money. To anyone that has made a study of the old-age pension plan proposed by Dr. Townsend and embodied in the McGroarty bill, now pending in the House of Representatives, it is clearly seen that two great principles are involved in this plan—the first provides security for the men and women of this country that have reached the age of retirement; the second provides for business recovery by accelerating the circulation of money.

If we are to investigate the people advocating the Townsend plan, and the passage of the McGroarty bill, why not investigate fraternal organizations, labor unions, and other associations advocating and sponsoring other forms of legislation—retirement pay, annual vacation on pay, sick leave on pay, which is sponsored by organized Federal employees, the 6-hour day sponsored by organized labor, and other legislation proposed by organized groups in endless numbers. The Townsend plan is a constructive movement, supported by millions of earnest men and women of all ages. If fraud is being perpetrated by certain individuals under the guise of supporting this movement, the Department of Justice and the postal authorities are far better equipped to investigate and stop such frauds and bring the guilty to

justice than this House committee, whose members can better serve the interests of the people they represent by attending to the legislative duties and departmental affairs pressing for their attention.

Mr. Speaker, what is the real purpose of the sponsors of this resolution? What will be accomplished by spending \$50,000 for this investigation? It is contended that the object of this resolution is to defeat the Townsend plan by persecuting and discrediting the sponsors of the movement.

Mr. Speaker, if this is a sound and constructive plan, it should be considered on its merits. If it is unstable and fantastic, as its opponents claim, what have they to fear in bringing this proposed legislation before the Members of the House for a fair and impartial consideration?

Mr. Speaker, we live in a progressive age, changing conditions lead to new thought and new plans. In advancing the welfare of our people, what is more important than providing for the security of the men and women who have reached the age of retirement, and whose labors and efforts have secured and presented to the succeeding generations all that this country of ours lavishes on its fortunate people. A plan that will bring to young men and young women an opportunity for employment and service now being denied them. A plan that will increase the circulation of money, stimulate business, and restore prosperity.

Mr. Speaker, let us be fair with the millions of earnest men and women who advocate the Townsend plan. Let us bring the bill before both branches of Congress for a free and full discussion of its merits, giving the Members an opportunity to perfect the legislation with amendments that we may insure that the best interests of all the people are served.

INVESTIGATION OF OLD-AGE-PENSION PLANS

Mr. WARREN. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, I made the first speech against the Townsend plan ever made in this House 14 months ago, and I am still against it, as beyond doubt it is unsound and impossible and no person could ever receive \$1 under it.

I am not for this resolution, however, because after we spend \$50,000 we will not know one more fact than we know today. The \$50,000 will be wasted, with no good accomplished. It has been shameful the way officials of the Townsend plan have taken money from the aged poor of this country. We already know from Dr. Townsend's own admission that up to October 1 he received \$600,000 in cash contributions, exclusive of the enormous receipts from his Townsend Weekly. This ought to be enough for Congress to take some decisive, constructive action in reference to this matter, without wasting \$50,000. What more facts does the Congress want? What does it intend to do after getting more facts? Let it do now what it intends to do, for it has all the facts needed.

Mr. Speaker, I have seen millions of dollars wasted in 20 years on investigations. No good whatever has come from any of them, and no good will come from this one, hence I must therefore vote against this resolution.

[Here the gavel fell.]

Mr. WARREN. Mr. Speaker, I yield 3 minutes to the gentleman from Montana [Mr. MONAGHAN].

Mr. MONAGHAN. Mr. Speaker, at the outset I wish to thank the gentleman from North Carolina [Mr. WARREN] for his courtesy in giving me this time. Any remarks I made with respect to procedure involved were not directed to the gentleman from North Carolina [Mr. WARREN], who has been most courteous in notifying anyone interested in H. Res. 443 and H. Res. 447, both of which were referred to his committee.

Mr. Speaker, my opposition to this particular resolution, in addition to the points of order I have heretofore recited, is that it is a waste of \$50,000 of the people's money at a time when you read such dispatches as the following, appearing in yesterday's papers:

PITTSBURGH.—Fay Templeton, once queen of musical comedy, has left Pittsburgh to spend her last days in the Actors' Fund Home at Englewood, N. J., it was learned yesterday.

The fortune which she owned during many years on the American stage has vanished and friends say the former star refused to accept the hospitality of their homes here because it would be charity.

The 70-year-old actress, however, felt differently about the home for aged actors because she had helped to support it generously for many years.

"There's no use in putting off the evil day any longer," Miss Templeton reportedly said to friends just before departing for Englewood. She was the widow of William J. Petterson. She lived quietly in an apartment here, but in recent years made vain efforts to find a place for herself in the movies, stage, or radio.

The death of her husband, prominent Pittsburgh attorney, precipitated the former "gay nineties" queen into financial difficulties. His estate was hard hit by the depression, and stocks in which the once-glamorous Fay had invested her stage earnings lost their value.

This is Friday the 13th, which does not mean anything to me, as I am not superstitious, otherwise I would not have even ventured into the discussion. I wonder, however, if it means something to the particular Members of the House who are going to vote indirectly against the aged people of this country by trying to persecute men who are endeavoring to promote pension proposals in this country?

Mr. SMITH of Washington. Will the gentleman yield?

Mr. MONAGHAN. I yield to the gentleman from Washington.

Mr. SMITH of Washington. Is the gentleman aware of the fact that on yesterday the Senate voted an appropriation of only \$30,000 to investigate the campaign expenses and contributions in the Presidential election this year for senatorial elections in 32 States of the Union? We are proposing to appropriate twice that amount here to investigate an old-age campaign in this country.

Mr. MONAGHAN. I thank the gentleman for his contribution, and I wish to say that I am fully cognizant of the tremendous disparity between the two appropriations. I hope the House will vote down the previous question and open the bill to amendment, as I would like to offer the following amendment:

Page 1, line 6, after the word "further", insert "and/or oppose, misrepresent, and persecute."

Mr. Speaker, if the committee acts according to the real intent of congressional investigations, the suggestion of the gentleman from Utah [Mr. MURDOCK] will be carried out. It will recommend legislation for the aged people of this country. I doubt, though, that they are going to do this; in fact, I am confident they are not going to do this. Their main purpose is not only to discredit, as I have stated before, those persons outside of Congress who are interested in old-age pensions but the Townsend bloc of 63 Members here, the Townsend steering committee, and the gentleman from California [Mr. MCGROARTY], and anyone else upon whom they might indirectly or by inference cast reflection. I know they cannot find anything, but it is regrettable that the House itself would be a party to any question of reflection upon its own Members. [Applause.]

[Here the gavel fell.]

Mr. WARREN. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. LUCAS].

Mr. LUCAS. Mr. Speaker, as a member of the committee appointed by the distinguished Speaker to investigate old-age-pension schemes and plans, special reference being had to the acts and conduct of promoters and organizers, their history and record, as well as the financial set-up of such groups, permit me to say in the beginning that I, for one, as a member of that committee, am duty bound to strictly follow the mandates of the wording of what I conceive to be a most serious and important resolution. I enter upon this responsibility with an open mind. I propose to deal only with the facts as I find them and let the chips fall where they may. It may be of some information to the House to know that I have given considerable thought and study to the purposes of the resolution in question as it aids and affects legislation. And I undertake to say, Mr. Speaker, that if this committee is to perform the character of public service that the American people desire, whether they belong to the Townsend clubs or whether they are opposed to the Townsend philosophy, the money that is requested in this appropriation, in my judgment, is not too much. It is

obvious that a careful and thorough investigation must be made into the subject matter of this resolution if value is to be received for any expenditure made at all. In the event there is any money unexpended when the investigation is closed you and I know the same reverts to the United States Treasury. Upon this point let me state emphatically that I do not propose to spend one dime more than I believe is absolutely necessary in carrying forward this important work. In answer to some of the gentlemen who think that the members of this committee have accepted the appointment for the purpose of barnstorming, junket, or publicity purposes, let me again speak rather definitely and plainly in connection with that unwarranted suggestion. I have the greatest respect for the high purposes and sincerity of every member of the committee, having reached that conclusion at the meetings that we have had, exchanging thoughts and ideas upon this current problem.

I did not ask for this appointment; I did not seek the position; but when I was requested by the Speaker to serve upon this committee I gladly consented, believing that I might render a little public service to the people of my country. [Applause.]

Reference has been made in the debates upon the floor of the House to fraud, intimidation, and many other immaterial and irrelevant matters which go far afield from the true purposes of the resolution at hand. Let me admonish those in this Chamber who are opposing this investigation, and I say this in the most charitable manner, that insofar as one member of the committee is concerned these counter-offensives shall have nothing to do with the issue at hand and receive no consideration. We do not propose to be taken off our feet by issues which are far afield from what we understand is plainly set forth in the resolution we are discussing. As I said in the beginning, I propose to stick to the facts that are material to this investigation, and which we are permitted to ascertain by law under this resolution, and to the facts alone. [Applause.]

Mr. WARREN. Mr. Speaker, I yield 6 minutes to the gentleman from California [Mr. KRAMER].

Mr. KRAMER. Mr. Speaker, I want to say at the outset that I am for this investigation. I also understand that the Townsend organization, at whom the investigation is directed, is for the investigation, and I understand the author of the McGroarty bill, the gentleman from California [Mr. MCGROARTY] is whole-heartedly in favor of this investigation. However, we are unalterably opposed to the amount of money which is being taken from the poor taxpayers and is being squandered here today in this fashion. The amount of \$50,000, Mr. Speaker and Members, is wholly unnecessary.

Mr. LAMBETH. Mr. Speaker, will the gentleman yield?

Mr. KRAMER. No; not now.

Do you Members over on this side of the House who have been continuously harping upon the matter of economy, the gentleman from Pennsylvania who has continuously asked where we are going to get the money, and you conservatives on this side of the House who have asked that we refrain from wild spending of money realize what you are doing? Let us get down to business, stop this pussyfooting, and we will not have any investigations of this kind. Bring out the McGroarty bill and put it on the floor of the House, vote it up or down, vote "yes" or "no", and then there will be no need for investigations. The Rules Committee has many bills pigeonholed that should come out of the committee. Why not bring them out on the floor of the House?

We will know then whether or not the poor and the old people are going to get the consideration to which they are entitled. I refer to the remarks of my colleague the gentleman from California [Mr. BUCK], when he again tried to becloud the issue and say that this bill calls for \$200 a month. I will respectfully ask the gentleman if he will read the bill. If he did, he will find it does not do any such thing.

Mr. Speaker, we have had before the Committee on Accounts, on which I have served since I have been a Member of the House, repeatedly, investigation committees coming in and asking for \$50,000. This seems to be the amount always

asked for at the outset, with the expectation they will get, likely, \$5,000, \$6,000, or \$7,000.

Mr. LAMBETH. Mr. Speaker, will the gentleman yield?

Mr. KRAMER. Sorry; not at this time.

Recently we had an investigating committee coming before the Committee on Accounts with respect to the investigation of the chain stores. Seven thousand five hundred dollars is all the money that was appropriated for that committee, and they have done a wonderful job and have legislation now pending before the House.

What is going to become of this money? I understand they have brought a lawyer here from Kansas City, although every one of the eight members of the committee is a man of the highest character and they are among the finest lawyers we have in the House, well qualified to act, and yet they need the advice of additional counsel. Just a lot of nonsense. Some criticism has been made here of the counsel who has been retained by the Townsend organization. Why, naturally, they are entitled to their counsel. Do you expect them to stand back and not be advised by anyone? They are being criticized also as to the amount of money they are paying. Look at the amount of money being paid here. And that is not all they expect to get; it will not be long when the committee will want \$50,000 more.

As I understand it, the gentleman from Missouri [Mr. BELL] said he was not going to engage in any back-alley tactics. If the information I have already received is correct, they are already using back-alley tactics. They are using methods which generally are used by cheap shyster detective agencies that are sneaking around, intimidating and threatening the employees and others connected with the Townsend movement.

This is a reflection upon the Members of Congress and should not be tolerated, and I for one want to register my serious objection to this type and character of investigation; and in my estimation \$150 per month is the top that should be paid for any investigator, stenographer, or auditor for this nature of work.

Mr. Speaker and gentlemen of the House, the Department of Justice and the Post Office Department have just concluded a very "fine-tooth-comb examination"; and if there was anything wrong in the slightest degree they certainly would have "clamped the lid" on the Townsend organization long ago—and this in itself indicates to me that they are making progress in a clean and upright and honest manner.

Where are the so-called watchmen of the Treasury who have continuously objected to appropriation, in all manner to cut down appropriations of this kind? I am surprised that they are not all "up in arms" against this squandering of the taxpayer's money. They seem to be sitting silently and frozen in their seats and permit this squandering of the people's money in a manner which will bring no good to anyone.

Yesterday the Committee on Appropriations appropriated the sum of \$100,000 to the Committee on Accounts for purposes of investigation. That \$100,000 is already expended. The committee has a deficit at the present time without the present \$100,000 being included. So you can readily see that there is going to be an additional appropriation necessary in order to carry out this investigation. According to the figures which have just been enumerated by the gentleman [Mr. HOLLISTER], the committee expects to put on 30 or 40 auditors and investigators. At \$300 per month you can readily see where we are headed for, and if you are going to start this investigation with that kind of expenditure, heaven only knows where we will end. Stop this kind of nonsensical spending of money for foolishness of this kind. Stop it now!

I cannot understand why it is necessary to employ auditors when there are many men already on the Government pay roll, who are receiving \$150 per month and who could be borrowed from the various departments such as the P. W. A., the Federal Housing Administration, and other departments, which I am informed have many men in their employ who are not busy at this time.

The same thing applies to attorneys. The Department of Justice has many able attorneys who are receiving less than \$300 per month, and who are perfectly capable and qualified to render such service as this committee may require.

This same also applies to stenographers. There are a great many stenographers in the Resettlement, P. W. A., H. O. L. C., F. H. A., and other of the alphabetical departments which are too numerous to mention, and who are capable of performing such legal and clerical services as this committee will require. Why not use these?

And now for the detectives. The Department of Justice have an unlimited number of men who perhaps do not receive the amount of money asked for by the gentleman from Missouri [Mr. BELL]. The class of men for detectives I understand that are employed are apparently the cheap, shyster, persecuting, Hawkshaw, amateur detective type, who have made it the practice of hanging around the steps of the Capitol for the past several years praying for an opportunity of this kind to present itself. Information has come to me that the men employed by the investigating committee have thus far taken a particular delight in harassing, browbeating, persecuting, and crucifying the clerks and wives of the members of the Townsend organization.

All the books are here in Washington—none in California. The officers are here, and those that are not will gladly come, I am informed. I want to say to my good friend from Wisconsin, Mr. O'MALLEY, that the right time to go to California is any time of the year. [Applause.]

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. KRAMER. Yes.

Mr. O'MALLEY. If this resolution passes, the chamber of commerce at Los Angeles will be informed—

Mr. KRAMER. I do not know of any reason why the chamber of commerce at Los Angeles should be informed. You are asking for \$50,000 for an asinine investigation, which could be used to much better advantage.

Mr. WARREN. Mr. Speaker, will the gentleman yield?

Mr. KRAMER. I yield.

Mr. WARREN. The gentleman from California has been on two investigating committees—one on un-Americanism, which received \$30,000, and the other on patents, which received \$15,000, and did he not insist on the full sum being allowed those committees?

Mr. KRAMER. I never asked for the full sum for any committee, but I believe in giving a reasonable amount; I never voted for \$50,000 for any committee investigation, and this one in particular is an outrage.

The SPEAKER. The time of the gentleman from California has expired.

Mr. WARREN. Mr. Speaker, I yield the remainder of my time to the gentleman from Alabama [Mr. STARNES].

Mr. STARNES. Mr. Speaker, the collective judgment of this House has been expressed heretofore with reference to the original resolution introduced for this investigation. When that resolution was introduced the hour had arrived when those who were opposed to the investigation should have spoken. That hour has passed, and it is unbecoming, in my judgment, and comes with ill grace for opposition to spring forth at this hour.

If there is nothing wrong, if these so-called political schemes are for the purpose only of furthering the cause of old-age pensions, no one need have fear as to the result of the investigation. When this House has spoken and ordered the investigation, then the Committee on Accounts, using its best judgment, has fixed on the amount necessary to carry on the investigation.

Mr. MONAGHAN. Mr. Speaker, will the gentleman yield?

Mr. STARNES. I decline to yield at any time during my remarks.

It was your judgment that an investigation should be conducted. I ask you whether or not you want a searching investigation, a thorough investigation, or do you want an innocuous one? Money will be wasted, regardless of whether it be a small amount or a large amount that is expended, unless the investigation is thorough and searching, unless it is productive of some real result.

Mr. DUNN of Mississippi and Mr. MURDOCK rose.

Mr. STARNES. Mr. Speaker, I decline to yield to anyone. The question is whether or not the House of Representatives shall make such an investigation as it deems necessary, or shall we make such an investigation as to the Townsend organization or to any other organization seems proper? Who is to be the judge as to how far the investigation shall range—the House of Representatives or the promoters of any of these so-called old-age-pension plans and schemes? Shall we conduct a thorough investigation or shall we investigate only the history, the records, acts, and conduct of those groups, associations, corporations, and parties who voluntarily appear here in the Capital of the United States?

Mr. ZIONCHECK. Mr. Speaker, will the gentleman yield?

Mr. STARNES. I decline to yield to anyone. The purpose of this resolution, according to its terms, is to aid the Congress in its legislative functions and duties relative to the proposed legislation hereinbefore mentioned, and that is the McGroarty plan, and to bring to light such information as may be necessary to enable this House to pass intelligently upon the question when and if it comes before the House for consideration. If the methods used by those who promote this plan are sound, if there is nothing to conceal, there is no need for any opposition to a thorough and searching investigation. The Committee on Accounts has absolute faith and confidence in the personnel of this bipartisan investigating committee. It is my information that every member of the investigating committee voted for the Social Security Act during the first session of the Seventy-fourth Congress. It is my information that every member of that committee favors a sound and workable old-age-pension plan. I am sure that I voice the sentiments of the majority of the Members of this House on both sides of the aisle when I state that we have implicit confidence in that committee.

Mr. Speaker, during the Seventy-fourth Congress this House has been called upon to write more social legislation, more legislation for the promotion of human welfare and social security, than it has in any like period in the history of this country; and I think that the Members of the House have met the challenge and responsibility of the hour which the accumulation of the years has heretofore placed upon us, and in reaching a decision upon such legislation as we have considered we have sought at all times to place the interest of the American people first, we have sought at all times to arrive at the truth. The Members of the House of Representatives are entitled to receive the truth. We want to turn the pitiless searchlight of truth upon all the proponents of any bizarre political plan, on all proponents of these so-called schemes which call for an expenditure of untold billions of dollars of the taxpayers' money; and I echo the thought that was expressed a short time ago by the gentleman from California [Mr. BUCK] when I say that it ill becomes some of these gentlemen to raise their voices in protest to an expenditure of \$50,000 to study plans to enable the proper sort of legislation to be passed when they themselves propose such a bizarre economic plan as would expend over \$20,000,000,000 of the taxpayers' money a year.

Mr. KRAMER. Mr. Speaker, will the gentleman yield?

Mr. STARNES. I decline to yield. Let us get to the bottom of this thing; let us arrive at the truth, and after we have obtained definite information, information that will enable us to act wisely and well, I am sure that time will prove that the money called for in this resolution has been well and wisely spent.

The members of the Committee on Accounts ask for, and we believe that we are entitled to, the support of this House in the amount called for in this resolution. We have responded to your mandate in a manner which we think is wise and just and reasonable, and we come now asking vindication at your hands, and hope that you will sustain the committee when this matter is presented to the House for a vote in a very few minutes.

Mr. McLEAN. Mr. Speaker, will the gentleman yield?

The SPEAKER. The time of the gentleman from Alabama has expired.

Mr. WARREN. Mr. Speaker, I move the previous question on the resolution and amendment to final passage.

The SPEAKER. The gentleman from North Carolina moves the previous question on the resolution and amendment to final passage.

Mr. McGROARTY. Mr. Speaker, I demand the yeas and nays.

Mr. MONAGHAN. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 242, nays 114, answered "present" 1, not voting 73, as follows:

[Roll No. 35]

YEAS—242

Adair	Doughton	Kopplemann
Allen	Doxey	Lambertson
Andrew, Mass.	Driscoll	Lambeth
Andrews, N. Y.	Driver	Lanham
Arends	Duffy, N. Y.	Lea, Calif.
Ashbrook	Duncan	Lehibach
Bacon	Eagle	Lewis, Colo.
Bankhead	Eaton	Lewis, Md.
Barry	Eckert	Lord
Beam	Edmiston	Lucas
Bell	Ekwall	McAndrews
Berlin	Engel	McCormack
Blackney	Evans	McKeough
Bland	Farley	McLaughlin
Bloom	Ferguson	McLean
Boehne	Fernandez	McLeod
Bolleau	Fiesinger	McMillan
Boland	Fish	McReynolds
Boiton	Fitzpatrick	McSwain
Boykin	Flannagan	Maas
Boylan	Focht	Maloney
Brown, Ga.	Ford, Miss.	Mansfield
Brown, Mich.	Frederick	Mapes
Buck	Fuller	Marshall
Burch	Gasque	Martin, Mass.
Cannon, Mo.	Gavagan	Mason
Carlson	Gifford	May
Carpenter	Goodwin	Mead
Cartwright	Granfield	Merritt, Conn.
Cary	Greever	Merritt, N. Y.
Chapman	Gregory	Michener
Church	Griswold	Millard
Clark, N. C.	Guyer	Miller
Cochran	Hallock	Mitchell, Ill.
Coffee	Hancock, N. Y.	Moran
Cole, N. Y.	Hancock, N. C.	Nichols
Collins	Harter	Norton
Colmer	Hartley	O'Brien
Cooper, Tenn.	Healey	O'Connell
Cox	Hennings	O'Connor
Cravens	Hess	O'Leary
Creal	Hill, Ala.	O'Neal
Cross, Tex.	Hill, Samuel B.	Owen
Crowther	Hobbs	Palmisano
Culkin	Hoffman	Parks
Cullen	Hollister	Patman
Cummings	Holmes	Patton
Curley	Hope	Perkins
Darden	Huddleston	Pettengill
Darrow	Imhoff	Peyser
Deen	Jenckes, Ind.	Pfeiffer
Delaney	Johnson, Okla.	Pittenger
Dempsey	Johnson, W. Va.	Plumley
Dies	Kahn	Quinn
Dietrich	Kennedy, N. Y.	Rabaut
Dirksen	Kerr	Ramsay
Disney	Kinzer	Ramspeck
Ditter	Kleberg	Randolph
Dobbins	Kloeb	Rankin
Dondoro	Knutson	Ransley
Dorsey	Kocalkowski	Rayburn

NAYS—114

Amie	Dunn, Miss.	Hull	Moritz
Andresen	Dunn, Pa.	Jacobsen	Mott
Biermann	Eicher	Johnson, Tex.	Murdock
Binderup	Ellenbogen	Jones	Nelson
Blanton	Englebright	Kenney	O'Day
Brewster	Fletcher	Kniffin	O'Malley
Buchanan	Ford, Calif.	Kramer	Parsons
Buckley, Minn.	Fulmer	Lemke	Patterson
Burdick	Gearhart	Luckey	Pearson
Cannon, Wis.	Gehrmann	Ludlow	Peterson, Fla.
Carter	Gilchrist	Lundeen	Peterson, Ga.
Castellow	Gildea	McClellan	Pierce
Christianson	Gingery	McFarlane	Polk
Citron	Greenway	McGehee	Powers
Colden	Gwynne	McGrath	Rich
Connery	Haines	McGroarty	Robinson, Utah
Cooper, Ohio	Harlan	Mahon	Robison, Ky.
Costello	Hart	Main	Rogers, Okla.
Crawford	Higgins, Conn.	Marcantonio	Sadowski
Crosby	Hildebrandt	Martin, Colo.	Sandlin
Crosser, Ohio	Hill, Knute	Massingale	Sauthoff
Dockweiler	Hook	Mitchell, Tenn.	Scott
Duffey, Ohio	Houston	Monaghan	Scrugham

Smith, Wash.	Sweeney	Turner	White
Stack	Taylor, Colo.	Turpin	Withrow
Stefan	Taylor, Tenn.	Wallgren	Wolverton
Stubbs	Thomason	Wearin	Zioncheck
Sumners, Tex.	Thompson	Welch	
Sutphin	Tolan	Werner	

ANSWERED "PRESENT"—1

Dickstein

NOT VOTING—73

Ayers	Cooley	Hamlin	Ryan
Bacharach	Corning	Higgins, Mass.	Sanders, La.
Barden	Crowe	Hoepfel	Schulte
Beiter	Daly	Jenkins, Ohio	Secrest
Brennan	Dear	Kee	Seger
Brooks	DeRouen	Keller	Short
Buckbee	Dingell	Kelly	Sirovich
Buckley, N. Y.	Doutrich	Kennedy, Md.	Thomas
Bulwinkle	Drewry	Kvale	Thurston
Burnham	Faddis	Lamneck	Tobey
Caldwell	Fenerty	Larrabee	Underwood
Carmichael	Gambrill	Lee, Okla.	Whittington
Casey	Gassaway	Lesinski	Wilson, La.
Cavichia	Gillette	Maverick	Wilson, Pa.
Celler	Goldsborough	Meeks	Wood
Chandler	Gray, Ind.	Montague	Young
Clalborne	Gray, Pa.	Montet	
Clark, Idaho	Green	Oliver	
Cole, Md.	Greenwood	Romjue	

So the previous question was ordered.

The Clerk announced the following pairs:

General pairs:

Mr. Maverick with Mr. Jenkins of Ohio.
 Mr. Dingell with Mr. Seger.
 Mr. Corning with Mr. Tobey.
 Mr. Gray of Indiana with Mr. Fenerty.
 Mr. Oliver with Mr. Bacharach.
 Mr. Bulwinkle with Mr. Doutrich.
 Mr. Cole of Maryland with Mr. Burnham.
 Mr. Drewry with Mr. Thomas.
 Mr. Greenwood with Mr. Wilson of Pennsylvania.
 Mr. Romjue with Mr. Cavichia.
 Mr. Schulte with Mr. Buckbee.
 Mr. Whittington with Mr. Short.
 Mr. Montague with Mr. Thurston.
 Mr. Cooley with Mr. Kvale.
 Mr. Kelley with Mr. Higgins of Massachusetts.
 Mr. Green with Mr. Sanders of Louisiana.
 Mr. Daly with Mr. Lamneck.
 Mr. Faddis with Mr. Wilson of Louisiana.
 Mr. Dear with Mr. Young.
 Mr. Sirovich with Mr. Clalborne.
 Mr. Ayers with Mr. Gassaway.
 Mr. Wood with Mr. Secrest.
 Mr. Meeks with Mr. Larrabee.
 Mr. Keller with Mr. Celler.
 Mr. Barden with Mr. Gillette.
 Mr. Brooks with Mr. Hamlin.
 Mr. Gambrill with Mr. Ryan.
 Mr. Gray of Pennsylvania with Mr. Brennan.
 Mr. Goldsborough with Mr. Beiter.
 Mr. Kee with Mr. Carmichael.
 Mr. Lee of Oklahoma with Mr. Montet.
 Mr. Chandler with Mr. Buckley of New York.
 Mr. DeRouen with Mr. Crowe.
 Mr. Caldwell with Mr. Casey.
 Mr. Kennedy of Maryland with Mr. Clark of Idaho.

Mr. SANDERS of Texas changed his vote from "aye" to "no."

Mr. HARLAN changed his vote from "aye" to "no."

Mr. NICHOLS. Mr. Speaker, the gentleman from Oklahoma [Mr. GASSAWAY] is detained by reason of illness. Were he present he would have voted "aye."

The result of the vote was announced as above recorded.

Mr. SMITH of Washington. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SMITH of Washington. I want to ask the Speaker if it is not a fact that the parliamentary situation is that the House having voted the previous question, an amendment cannot now be offered reducing the amount of the resolution?

The SPEAKER. The gentleman is correct. No amendment would be in order at this stage.

The question is on agreeing to the committee amendment. The Clerk will report the committee amendment.

The Clerk read as follows:

On page 2, line 8, strike out the words "if available", and at the end of the line insert "if not otherwise engaged."

Mr. MONAGHAN. Mr. Speaker, a parliamentary inquiry. Is a committee amendment in order now?

The SPEAKER. This is the committee amendment.

Mr. MONAGHAN. A parliamentary inquiry, Mr. Speaker. Is that in order now?

The SPEAKER. The previous question was had upon the resolution and amendment.

The question is on the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

On motion by Mr. WARREN, a motion to reconsider the vote by which the resolution was agreed to was laid on the table.

THE SOVEREIGN POWER OF A UNITED PEOPLE—THE TOWNSEND PLAN

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an address which I delivered before the national convention of Townsend Clubs at Chicago.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SMITH of Washington. Mr. Speaker, under leave to extend my remarks in the RECORD I insert an address delivered by me before the national convention of the Townsend Clubs of America at Chicago, Ill., on October 26, 1935, the same being the verbatim transcript with interpolations of the official reporters of that historic convention as printed in the National Townsend Weekly, November 18, 1935.

The address is as follows:

Chairman ARBUCKLE. This morning's session is to be closed by a very wonderful address and we are on time. The next speaker will run a little over 12 o'clock, he tells me, so I want you to give him your undivided attention.

It is our pleasure to have with us today a man who has valiantly fought for the Townsend plan in the Congress of the United States and outside of the Congress of the United States, and he is to speak today on that great subject, The Sovereign Power of a United People, and it is my pleasure at this time to introduce to you the Honorable MARTIN F. SMITH, a Member of the Congress of the United States from the Third Congressional District of Washington.

Hon. MARTIN F. SMITH. Senator Arbuckle and you, my friends, delegates to this great national convention of the Townsend Clubs of America, I desire to thank Senator Arbuckle for his very kind and generous words of introduction. I want to say to you, sir, that I have observed as I have been seated on this platform during the days of the convention that you have been the most courteous, the most fair, and one of the most efficient presiding officers that I have ever listened to. [Applause.] My friends, I deeply appreciate being the one Member of the Congress of the United States who has been paid the high honor of being placed upon the program of this great convention. [Applause.]

During my service in Congress it has been my honor and privilege to address five great national conventions in various parts of our land, and this is the second great convention that I am addressing this year. I want to say to you that, in my opinion, in intelligence, in appearance and character, and in influence this convention will compare favorably with any which has ever met in America. [Applause.] I am very proud today to appear before you as a member of Townsend Club, No. 1, Hoquiam, Wash., the ribbon of which adorns the lapel of my coat—Hoquiam, Wash., the most westerly city in the United States of America. I am also proud of the two delegates that we have here representing our club. One is Judge William E. Campbell, judge of the Superior Court of Grays Harbor County and president of the Association of Superior Judges of the State of Washington, a graduate of Stanford University and of Harvard Law School, and one of the most distinguished, leading citizens in southwest Washington and the State of Washington, one of the leaders in the Townsend movement in the Pacific Northwest. Judge Campbell is here and I would like to have him rise and take a bow. [Applause.] Our other delegate is Dr. Everett M. Hill, pastor of the First Methodist Church, a doctor of divinity, organizer of our Townsend Club No. 1 in Hoquiam, a Kiwanian, and one of the finest men I have ever met in my life. I want the Reverend Dr. Hill to stand up so you can see him. [Applause.]

In our community, my friends, the Townsend movement is represented by the law and the gospel. My friends, I have been studying and investigating the Townsend old-age revolving pension plan, a plan for national recovery, over a year and a half. It extends far beyond a mere system of pensions; it is a permanent recovery measure, a real reemployment measure, a sound financing and banking measure, and constitutes a practical application of the wise and salutary principles of Christianity to the solution of the social and economic and political problems of America. You have just listened to my friend Mr. Harry L. Bras, editor of the Centralia Chronicle, Centralia, Wash., in my congressional district. I want to tell you about a strange coincidence.

In the spring of 1934, late in the month of March, over a year and a half ago, Mr. Bras published in his daily paper the first newspaper editorial favoring the Townsend plan printed in America. I was in Washington, over 3,000 miles away, attending the second session of the Seventy-third Congress; and on April 4, 1934, just about the same time, without ever having corresponded with each other in regard to the matter at all, I placed in the CONGRESSIONAL

RECORD the first explanation and statement of the Townsend plan which was made in the Congress of the United States, and the first official notice which it received at the National Capital. That is rather a remarkable coincidence, considering that Mr. Bras and I live close together in the same part of the country, but when Harry's attention was called to the matter recently, he said, "Well, great minds run in the same channel."

Of course, this is said in jest, for we realize that we are not great nor even near great, but at least we possessed the vision and foresight to study and comprehend the merits of the Townsend plan for national recovery, which at that time—18 months ago—was ridiculed, scoffed, and sneered at by nearly everybody, but has since, under the able, energetic, and inspired leadership of its author, Dr. Townsend, and its cofounder, Mr. Clements, become the strongest, most dynamic social, economic, and political reform movement in the history of modern America. [Cheers.] I collaborated with my colleague, Congressman McGROARTY, and others of a small group of a half dozen Members of the House of Representatives in drafting the original bill embodying the Townsend plan, and also in revising and modifying it and preparing the bill in its final form, which received 56 votes as an amendment to the Social Security Act in the last session of Congress. The bill will be reintroduced in the next session of Congress, which convenes the first Monday of January next, and, in my opinion, should carry several further amendments.

In view of the fact that a 2-percent transactions tax on the gross business turnover, amounting to \$1,300,000,000,000 in 1929, which we are rapidly approaching, will yield considerably more revenue—viz, \$26,000,000,000—than is required to pay \$2,400 per annum to approximately 8,000,000 law-abiding American citizens of the age of 60 years and over, a total of \$19,200,000,000, I favor inserting in the text of our next bill a proviso to the effect that the surplus be applied toward the payment and liquidation of the national debt of the United States Government [cheers], which is the feasible and desirable thing to do, and will gain for us the added support of numerous public men and intelligent citizens throughout the country. Another amendment should require the Federal Reserve banks to disburse the annuities in the local communities of the United States and provide for the appointment of a national board of 10 members, the Federal Reserve bank to have direct supervision of the funds, which will be too large to be left in the hands of a single individual, the Administrator of Veterans' Affairs, as provided in the present bill, for it will be the largest fund, the most colossal fund, ever disbursed in this country, and no one man should be trusted with a fund of such magnitude; and a budget system should be provided for the annuities, insuring that the monthly annuity will be wisely expended for needed purposes as a stimulant to general business, agriculture, and industry in the United States.

The limitation of time will not permit me to argue specifically the merits of the plan, and were I to do so it would necessarily be a repetition of the facts already ably presented by the distinguished speakers who have preceded me. I shall, therefore, content myself with a brief statement of the legislative situation in the Halls of Congress as I see it from the inside. The title indicated for my address and given in the printed program is The Sovereign Will of a United People. We have a representation form of government in the United States, and it is the duty of chosen representatives of the people to represent and carry out the wishes and execute the will of the people who have elected them to office.

When they fail to do this they should either voluntarily resign their office and surrender back to the people the high commission they have received from them or they should be defeated and replaced by men who will faithfully and loyally represent their constituents. [Cheers.] Consequently, our campaign should continue to be one of education and dissemination of information: First, to the sovereign people of the United States; and, second, to their chosen representatives in the House of Representatives and the Senate of the United States, consisting of the facts, figures, statistics, and evidence establishing the soundness and wisdom of the Townsend plan for permanent national recovery and the many reasons why it is practical, feasible, and workable.

I think I know the members of the House and Senate. They are, with very few, if any, exceptions, intelligent, industrious, conscientious, and public-spirited men and women, a good cross section of the United States of America. They are former judges of our courts, former members of our State legislatures, former mayors of our cities, former Governors of our States, who have been sent to Congress because their people have known them for years and have confidence in their ability, integrity, and devotion to duty. Our task is to convince them that the Townsend plan is all that we know it to be, and also to convince their constituents of the same fact, and they will enact it into law.

I am reminded, in this connection, of the story of a young man and a young woman engaged to be married. They were deeply in love, apparently well suited to each other. Their parents approved the match and wedding bells were expected to ring, when one day the young lady came home to her mother very hurriedly and much excited and said, "Mother, I can't marry Bill." Her mother said, "My goodness, what is the matter; what has he done?" The daughter said, "Mother, I can't marry Bill because I have just discovered that he doesn't believe that there is a hell." The mother looked into her daughter's face for a moment and she said, "Daughter, you marry him anyhow, and we will soon convince him that he is wrong." [Laughter.]

After all, the Members of Congress have become educated and informed as to the merits of the Townsend plan and what it will

accomplish for the men and women, young and old, and the children in the homes of our Republic and their constituents armed and fortified with these facts and truths, have made their wishes known to them, if they still remain unconvinced, I think, that will be the time when they will be convinced by the members of the Townsend Clubs of America that there is a political hell so far as they are concerned.

My friends, we are fortunate that we live in the finest, the greatest, and the richest country in all the world. It has been blessed as no other country under the stars. The salvation of the human race depends on the progress of civilization in this country and we must carry the torch of civilization higher here in America than in any other land because all of the peoples and races of the world are looking to America for wise leadership. The salvation of the human race, therefore, depends on the things that we do right here in our own country. We have the greatest natural resources, richest deposits of precious minerals, almost unlimited coal and petroleum, millions of acres of corn, wheat, cotton, and tobacco. We have foodstuffs in abundance, timber, the finest in the world, the greatest mills and factories in the world. There is no reason why everyone in this country of ours should not enjoy all of the good things in life, even the luxuries.

Money is the lifeblood of the Nation and it must circulate freely and maintain the life of the Nation, just as the circulation of the blood in the human body is essential to the life of human beings and human life depends on the circulation of the blood. When it doesn't circulate the body suffers paralysis. Our beloved America is suffering a paralysis of its agriculture and industry today.

The Townsend recovery plan is going to pay \$200 a month to every American citizen who has no criminal record, is not insane, and has reached the age of 60 or over. This money must be spent in the calendar month it is received within the United States and its Territories. The number of people to whom this can be paid is approximately 8,000,000, the amount to be released by a 2-percent transaction tax. This is a very simple proposition. In every transaction, sale, or exchange of an article in commerce, business, agriculture, industry, and finance, this 2 cents of each dollar is collected for our fund and placed in the Treasury at Washington. All persons qualifying for this pension shall retire from gainful employment, and all men and women whose net income is not in excess of \$2,400 a year are eligible. It will safeguard the American homes, reduce crime to a minimum, provide security for the aged, furnish an opportunity for the young to secure employment, provide 8,000,000 new jobs and at least 2,000,000 jobs released by the aged. It will reduce the burden of taxation, empty the poorhouses, provide an outlet for factories and farms, maintain a balance between production and consumption, and forever banish financial depression from our fair land. [Cheers.]

It has been proven that a transaction tax of 2 percent on every sale would pay the old people \$200 a month and do away with the numerous taxes we are burdening the people of America with today—\$2 on every \$100, \$20 on every \$1,000, \$2,000 on every \$100,000, etc.

In 1 year the entire amount paid to 8,000,000 citizens 60 years and past would be \$19,200,000,000, the amount given by the Brookings Institution as the necessary increase in consumption required to balance production and consumption in the United States, and I wish our friends of the press would publish that fact. The Brookings Institution in Washington, D. C., is the most reliable statistical organization in America. It is nonpartisan and nonpolitical, and it is financed by the big business and financial interests of America, so it certainly could not be prejudiced in favor of the Townsend plan.

Recently they have published two books—America's Capacity to Produce, and America's Capacity to Consume—and in those monumental works big, thick volumes of hundreds of pages with figures and statistical matter prepared by leading experts of America conclusively establishing the fact that the difference between production and consumption is due to the lack of purchasing power in America as between sixteen and nineteen billions a year, and the Townsend plan provides the very deficiency which it is lacking to balance consumption with production. [Applause.]

The other day in the State of Washington a good man said to me, "How in the world can an old person spend \$200 a month?" he said, "to compel them to spend that amount of money would destroy them physically, mentally, and morally. If they had to live so fast a life as that and blow in \$200 a month, why," he said, "you would kill off the old people and wouldn't have anyone left to pay the money to." [Laughter.] Of course, he was joking, he was not serious about that.

I replied that paying that amount of money would provide a chance to pay honest debts, live a normal life, to travel and see nature's wonders so lavishly provided in our country.

You know it is a strange thing how people will worry about something like that. Let me tell you something—in 1929, according to official Government statistics, there was a handful of men in this country—504 millionaires. You could seat them in one little corner of this vast auditorium (but if you would, you would have to fumigate the hall so far as I am concerned); whose net income in 1929 was equal to the net income of the 2,330,000 wheat and cotton farmers in this country who raised all the wheat from which was made all the bread that was consumed by the American people and who raised all the cotton out of which was woven all the cotton cloth utilized in this country, not to say anything about exports that went out of our country to foreign nations. Think of it, 504 men having an income in 1 year of \$1,085,000,000; they

are the kind of people in this country who worry about what eight million would do with \$2,400 a year.

After the plan has been in operation for a few years we will lower the age limitation to 55 years, then to 50 years, and I tell you, my friends, we will eventually have to lower it to 45 years. There is hardly a mill or a factory today where, if a man goes to seek employment, he does not have to fill out a questionnaire to tell his entire life history about his grandmother and grandfather—how long they lived, and his parents—what age they died and if he is past 45 and if his mother's grandmother ever had a stomach ache, he cannot get a job in most of the factories in America. [Applause.]

That is why we have so many unemployed. By the new circulating income provided by the Townsend plan we will create jobs for at least 12,000,000—probably several million more citizens—thus taking care of all the unemployed in America. This is the only proposal I have ever heard that will do that—that is why I am for the Townsend plan—that is why you are for it. You know under the old regime, not many years ago, they believed in old-age pensions to a certain extent. You remember how back in 1929 and 1930 the president of one of the leading banks in New York City sold his stock in his bank to his wife at a loss, then she sold it back to him later, just a friendly, family transaction, so they wouldn't have to pay an income tax to the United States Government. When we uncovered that down in Washington, Mr. Banker resigned as president of the bank. The directors voted him an old-age pension of \$100,000 a year for the rest of his life, but we knocked that pension higher than "Gilroy's kite." That was considered the proper old-age pension for bankers and financiers.

But now we are going to have a reasonable retiring annuity in America for people 60 years old and over who have worked, pioneered, and contributed to a great extent to the business growth and development and the building of this great United States of America. When a person has been a law-abiding citizen all his life, breadwinner over 40 years, raised a family, worked and labored and produced wealth, he is entitled to enjoy leisure and live as a normal being in his old age and enjoy the fruits of science, discovery, and invention. We are no longer satisfied to have a few thousand men with incomes of millions of dollars and tens of millions of honest, God-fearing American citizens without a dollar to spend. [Cheers.] That is why the Townsend plan will become the law of the United States of America, and there is no power on earth or in hell which can prevent it from becoming a law. [Applause.]

My friends, I am about to conclude. I sponsored in the last session of Congress the bill restoring in full the pensions to the veterans of the Spanish War, the same stipulated in the act of June 1930 which was vetoed by President Hoover and passed overwhelmingly over his veto by the House and Senate. After my bill had passed the Senate and House this summer and gone to the White House every big newspaper in America, including the Associated Press, United Press, and Universal News Service (the last one is the Hearst agency), predicted that the President would veto it.

During this period I had quite a time keeping some of my overzealous colleagues in both House and Senate from viciously attacking the President, for I have learned long ago that very few battles are won by personal abuse and that most men are, well, shall we say, a wee bit stubborn. Sometimes I have a faint suspicion that even the ladies are inclined the same way. I was trying to have the President induced to sign the bill by moral persuasion. President Roosevelt fooled the newspapermen of America and, instead of vetoing the bill, he signed it, and it confers benefits aggregating \$50,000,000 a year on approximately 200,000 Spanish-American War veterans, to many of whom it means bread and butter and a decent home. My friends of the Townsend movement, I believe we should maintain a firm, resolute, and determined attitude and keep this question on a high moral plane. Eschew partisan and party politics in the consideration of this plan. [Cheers.] Our bill has to pass Congress, the House and Senate first, and when it has and goes to the White House I hope it will be laid down on the desk of a President who has a heart of compassion for the common people of this country, and one who wishes with all his heart and mind to see the blessings of the Townsend plan brought to every home and fireside of America. I believe with all my heart and soul that the hour will strike in America when the plan for national recovery which sprang from the inspired brain and noble heart of Francis E. Townsend at Long Beach, Calif., will become the law of America by the signature of America's most humanitarian President, Franklin D. Roosevelt. [Applause, audience rising.]

NEW YORK WANTS AN ABLE AND FEARLESS UNITED STATES ATTORNEY

Mr. KENNEDY of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. KENNEDY of New York. Mr. Speaker, ladies, and gentlemen, I attended the hearings of the Senate Judiciary Committee, held in the Capitol on March 9 and 10, in connection with the nomination of Lamar Hardy for the office of United States attorney for the southern district of New York. I am always interested in having appointed to public office men of outstanding ability; but I have a particular in-

terest in the office of the United States attorney for the southern district, because I live in that district. In addition to my personal interest in this appointment, I have an official interest because of my membership on the special committee appointed by the Speaker to investigate real-estate bondholders' reorganizations.

Our congressional committee, in order to accomplish the purpose for which it was created, must have the cooperation and wholehearted support of the United States attorney. In investigating these real-estate reorganizations, I necessarily have become familiar with the sale of real-estate bonds and participating certificates. Unfortunately, in many cases the committee is helpless to aid the poor bondholders, because the underlying security behind the bonds and certificates is absolutely worthless.

Mr. Hardy, the President's nominee for the office of United States Attorney, has been closely identified with a mortgage company that sold a great many mortgages and certificates which must be classified as worthless. As an officer and director of this company, the State Title & Mortgage Co., he has naturally been friendly with the other companies engaged in this type of business throughout the greater city of New York.

The president of the company, with which Mr. Hardy was associated, the State Title & Mortgage Co., was indicted and convicted of fraudulent practices. At the present time there are awaiting trial a number of other officers of the same company. As a former colleague, and now as district attorney, Mr. Hardy must necessarily find himself in an embarrassing position.

I had hoped that the President would select for the office of United States district attorney of New York a young, courageous, fighting district attorney, who would enforce the law fearlessly. The district attorney of New York will have a lot of work ahead of him in connection with these mortgage companies, and as many of these are personal friends of Mr. Hardy, he certainly cannot be expected to be an aggressive prosecutor. Mr. Hardy has been in office for nearly 3 months and has never tried a single case. We require an active man; one who will set the pace for his assistants.

More than a quarter of a million families have lost their life savings in these defaulted mortgages. Due to Mr. Hardy's intimate association with the companies that sold these worthless mortgages, I do not believe that he will have the moral support of the people of New York.

The Bar Association of New York is opposed to the confirmation of Mr. Hardy, as well as practically every newspaper published in the city of New York.

The New York Evening Post of March 12 expresses the situation perfectly as follows:

It doesn't take a sensitive nose to detect the atmosphere of a biased court. The Senate Judiciary Subcommittee "judging" the fitness of Lamar Hardy to be United States attorney for the southern New York district gave itself away early in its hearing. Every courtesy was extended to Hardy and to Max D. Steuer, his counsel. But, say the dispatches, "Alfred A. Cook was interrupted in his answers to questions when he tried to elucidate the objections to Mr. Hardy's confirmation as recorded by the Association of the Bar of New York City. Mr. Cook was forced virtually to defend the standing of the bar association." * * * Was the subcommittee judging Hardy or judging the bar association? Is its mind made up in advance to confirm a nominee opposed by the bar, the press, and the public of his own city? Why did the two Senators most concerned, WAGNER and COPELAND, of New York, stay away from the hearing? Were they afraid to offend New York City by helping Hardy, and afraid to offend party leaders by opposing him?

Does the Senate realize it is placing in charge of Federal securities law prosecution in the financial heart of the country the man who sat tight as chairman of the executive committee of the defunct State Title & Mortgage Co., while it evolved financial maneuvers that brought losses to thousands? That Hardy is one of the defendants in a \$5,000,000 suit brought by the State banking department to recover some of these losses?

Does the Senate realize that 10 of Hardy's former associates are under indictment? Does it understand that Hardy will probably be called as witness for the defense in Federal trials of these associates—that the Federal attorney will then be testifying against the Federal Government?

Hardy's defense, that he did not know what was going on, is no answer to the bar association. We do not want as public prosecutor (even though his character may be white as snow) a man who did not know what was going on under his nose. A United States attorney is supposed to know what happens around him.

IS THIS CONGRESS GOING TO PASS LEGISLATION THAT WILL GIVE PROPER AND ADEQUATE FARM RELIEF?

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on farm relief.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McGEHEE. Mr. Speaker, I have for the past 15 months listened with a very attentive ear and in my limited way tried to analyze the many and varied remarks made by my fellow colleagues, in which they have given their opinion as to the proper method of solving the problems that are confronting this great country of ours today, doing so with a view of analyzing the same to the extent and with a hope that there would be at least a sufficient combination of our thoughts that something real constructive would be done by this Congress to bring our Nation back to as near normal conditions as it would be possible under existing circumstances.

On February 19 the gentleman from Virginia [Mr. ROBERTSON], in addressing this body in behalf of pending farm-relief legislation that was finally enacted in lieu of the A. A. A., asked of this body before it should take any action on the proposed farm legislation that it should answer affirmatively three questions:

First. Does a farm problem exist?

Second. Can legislation aid in its solution?

Third. Has Congress the power to take the action that has been proposed?

Members of Congress, I think these are all very pertinent questions insofar as the proposed legislation that was before us at the time is concerned, and also on the pending legislation, the purpose of which is to give proper and adequate relief to the farmers of our Nation. These questions have been uppermost in my mind since becoming a Member of this honorable body, and I want to give you my humble opinion on the first two questions.

First. Discussing, Does a farm problem exist?

There is not a Member of this body, whether they be from rural, city, or industrial districts, but will agree with me and say there is a farm problem existing. The trouble with the membership of this body, especially those representing city and industrial districts, is that they do not appreciate the enormity of this problem as do we who represent the farming districts. In my own case I happen to represent farming, city, and industrial.

Mr. Speaker, I want to say, in my humble opinion—and this opinion is backed by 25 years of practical and not theoretical experience, having had some knowledge and practical experience not only with the farmer's problem, the businessman's problem, the industrial man's problem, but in practically every phase of each of those and any other that might exist; during these years of service that I have given to my section of this country of ours, this has impregnated in my mind a smattering idea of the problems that confront most every phase of business that exists in our country, and this is by far the most momentous one that has ever faced it.

We say, "Does there a farm problem exist?" I say, "Yes." I further say the solution of this problem will not only relieve the embarrassment of this body in both branches, but will bring back to this country of ours practically normal conditions, and will relieve us who are in power of the criticism, abuse, and vilification that is being heaped upon us by the disgruntled of both parties. Not only this, but it will relieve the people of this country of the burden under which they are now laboring, and will bring back peace, happiness, and prosperity to every nook and corner of it.

I am talking to you Members of Congress from practical experience, not theoretical, which we have been adhering to so much, and I want to say unto you that there does exist a farm problem, and that problem is the very root and seed which is causing the conditions of today. The solution, and if solved in a proper way, and Congress, and Congress alone, can do so, then we need have no fear of conditions insofar as our country is concerned in the near future, and not only the near future but for years to come.

Does a farm problem exist? Yes. Solve it in the proper way, then every industrial industry, every banking institution, our railroads, and in fact every other business organization in this country will profit, and not only profit through this medium but there will not be within the next 24 months an unemployment problem existing or facing us; nor will this Congress be faced with the problem of continually appropriating enormous sums of money as we have in the past few years for relief.

What does it mean, Members of Congress, if we do not solve this problem? This Congress in 1933 appropriated \$3,300,000,000, together with other amounts for general appropriations, which totaled almost \$4,000,000,000, so as to give employment to the unemployed and to give relief to those who were in need. In 1935 Congress appropriated \$4,800,000,000, together with an increased appropriation for the governmental departments, so as to aid the unemployed and give relief, which will total more than \$5,000,000,000. We are going to be called upon again to appropriate billions more, which means in 1937 and not only in 1937 but session after session Congress will be called upon to appropriate billions of dollars each year for this purpose. Why this continuous appropriation of moneys to give employment to the unemployed and relief to the needy when there is a solution of the problem that is confronting us without placing this enormous tax on the people of this Nation. I mean when I say taxing the people of this Nation that we know that 80 percent of the amount of taxes collected to pay these bills will fall on the poor class, because it is going to be reflected on the very necessities of life, and this 80 percent are going to bear the burden of it.

Why do I say this? Because every time we make an appropriation there are bonds issued, and those of means are placing their savings in tax-exemption securities whereby they do not have to bear the burden of taxes in proportion to their wealth. Of course, they are in sympathy with the program outlined by Congress now—that is, the issuing of bonds guaranteed by the full faith and credit of our country—because they are awaiting an opportunity to make an investment in these tax-exempt securities.

Forty million people out of forty-three million are gainfully employed at a meager and nominal salary, and it is upon these people that the tax burden of this country rests. There were only 263 people in the United States in 1935 who had an income of from \$100,000 to over \$1,000,000, and 90 percent of those had their wealth invested in stocks and bonds that were tax-exempt.

I want to say to you, Mr. Speaker, that from my observation since becoming a Member of this body that the membership, as a whole, are appreciating the fact that a farm problem does exist, and, further, are appreciating the fact that the solution of this problem alone will be the main factor in bringing our country back to normal conditions, because a majority has signified the same by saying so in recommending that this problem should be taken care of in a certain way.

Mr. Speaker, I believe if it were left to the individual thought of the membership, without any influence or pressure being brought to bear, Congress at this time would solve the problem which would bring our country back to normal conditions in a short period of time, because in my contact with the membership day in and day out, talking with them and giving my humble views on the same, there is a favorable reaction to the method.

Does a farm problem exist? I think 75 percent of the membership recognizes the same. I think 75 percent of the membership, from my contact with them, realize that what we have done for agriculture by the passage of the many laws, together with appropriations in behalf of it, has only been a soothing sirup and a few hypodermics given the patient who is sick unto death. Each realizes that the major operation must be performed sooner or later, but for some reason there is apparently an influence that is being directed to them whereby they do not exercise that prerogative they should as Representatives of the people from their respective districts, and without fear and undaunted in their purpose do

that which they, in their own humble opinion, know should be done to save this country from turmoil, strife, and trouble that will in a short time come, unless this farm problem is solved; and we know, Mr. Speaker, it can only be done by the Congress of the United States.

Mr. Speaker, I want to ask of the membership, Are you going to exercise that power that you have and give relief unto that class of people who are not only the very backbone of our Nation but the very marrow that is entwined within it?

There are 32,000,000 of this class, which represents 1 out of every 4 of our population, and upon the prosperity and existence depends the other 80,000,000 people of our Nation, because we all know when the farmer prospers—and I do not mean, when I say "prosper", that he must have 30 to 40 cents per pound for his cotton, \$2 to \$3 for his wheat, \$1.50 for his corn—but he is prosperous when he is able to pay those expenses he is obligated to pay, pay his interest and annual installment on his mortgage and taxes, and have a sufficient amount left to purchase the necessities of life and some luxuries, regardless of the prices of his products. When, and in that event, the wheels of every manufacturing plant will begin to turn, giving employment to those within its territory, our trains will begin to run in a normal fashion, our people will be employed in every line of industry throughout the country, and there will be general prosperity.

Mr. Speaker, can we solve this farm problem? Yes; it can be solved; and when we have done so there will not be the Utopia on earth that many of us dream of, but there will be happiness and contentment among every class of people in thought, action, and deed; Congress will be relieved of the solution of the troublesome problems that have been confronting it for several years. Mr. Speaker, I again ask, Is there a solution to this problem or can legislative action aid in the solution? I want to say to this membership in emphatic terms that this Congress can solve the problem that is existing today.

Why do I say this? Because Congress has given aid and assistance to almost every line of business and has rehabilitated it to the extent there is apparently today on the surface a return to normal conditions, and apparently we are on the road to what is commonly called recovery. But mark my words, Mr. Speaker, it is only a hypodermic or soothing salve that is giving relief to the patient, and in the end the major operation must be performed, and that major operation is the solution of the problem I am talking about today; that is, giving proper and adequate relief to the agriculture people of this Nation. It is the fundamental problem, and we must give relief to the fundamental so as to branch out to the different archways of business to properly conserve the same.

Mr. Speaker, how can this be done? It can be done by the refinancing of the farm mortgages of this Nation. As stated, 32,000,000 people are engaged in agricultural pursuits. Of the 41,500,000 gainfully employed in 1930, 10,500,000 were employed in agriculture, or two out of every four were employed in that occupation, the prosperity of which is our very life and existence. As stated, unless there is given to those who are pursuing this occupation, which represents 30 percent of our population, the proper and adequate relief, I make this prediction, Mr. Speaker, there will never be a return to that which we call normal conditions.

Mr. Speaker, how can we give this relief? It can be done by refinancing the farm mortgages at a rate of interest and annual payments that will permit this class of people to live and enjoy the homes they have sacrificed years of labor, working 15 hours a day, clad in overalls and common shoes, or barefooted, to attain the goal that every human being desires; that is, a place they may call home, because home is the dearest spot on earth; it is there one sits by the fireside with his wife and babies and talks of the troubles and hardships of the day. Deprive him of this home after years of labor and toil and you have turned a Nation-loving and patriotic citizen into one of hatred and a Communist.

Mr. Speaker, I returned to my home only a few days ago, and there came to my office some of the most substantial citi-

zens of my county, saying the Federal land bank was foreclosing their homes. I glanced over a few papers of the different counties in my district a week or so ago, and in one county there were 14 homes being foreclosed by the Federal land bank; this week I noticed in the same paper there were 19 homes being advertised, 33 in the course of 6 weeks by the Federal land bank, with local institutions foreclosing 8 or 10 farm homes at the same time; and my information is that the Federal land bank now owns 20 percent of the farms of that county.

Let me say this, there has been allocated hundreds of millions for the Resettlement Administration, trying to place people on the farm and give them homes, buy their mules, plow tools, in fact, everything that is necessary to operate a farm, thereby giving them a chance; yet, through this agency, the Federal land bank, we are foreclosing and placing on the roads and highways a large percent of the honest-to-God citizens who have struggled for years to accumulate enough to pay for a home by taking away from them that home they have acquired by years of toil.

Oh, yes; the question will be asked, "Why did he become indebted to the extent he cannot meet his obligations today?" When the Farm Act was passed in 1916, for 4 or 5 years afterwards the farmers were begged to make loans on their property so that this institution could function.

The farmers were not immune to the wiles of human passion—that is, to have money to spend—any more than any other class of people, so they placed mortgages on their farms, and statistics will show that 95 percent of the mortgages that exist today were given at a time when cotton was from 25 to 40 cents per pound, with wheat, corn, and every other farm product in proportion, yet he is called on today to meet the annual installment, interest payment, on a restricted program, with the price of their products one-fourth of what they were at the time that he sold his birthright; that is, gave his mortgage. Each and every Member of this body and every individual throughout the country knows there is not a chance of the farmer liquidating his obligation under existing conditions.

Mr. Speaker, I know the departments will report to you that a large percent have met their payments. If this is reported, then turn and ask how much has that farmer left after he meets his payments to spend for the necessities of life.

I received a letter just the other day from a farmer in my district, and this is only one out of hundreds, in which he said he had just paid his Federal land-bank installment, but did not have a dime left, and was pleading with me to aid him in getting work with the W. P. A., or any other agency, so that he could buy a few of the necessities of life and start a crop for another year. I say refinance the mortgage on the home of that poor old man, who is bent with age, who has served his country for 10 these many years, and is one of our most worthy citizens, to the extent that he can meet his annual payments and interest, pay his taxes, and have enough to live on for the very short time that is allotted to him.

I know the departments are going to say a greater percent are meeting their payments, but until we have placed the agricultural people of this Nation in a position, as I have stated, that they can meet their interest and annual installments on their mortgages and have a sufficient amount from their farm products, regardless of price, to buy the necessities of life and a few luxuries, Mr. Speaker, I say, and the future will prove it, there will never be a return to normal conditions.

How can this be done? This Government only a few days ago sold several hundred million dollars' worth of bonds at a rate of interest of 1½ percent. If this Congress will authorize the issuance of bonds, secured by the farms of this Nation, at a rate of 1½ percent, and refinance the farm mortgages at this rate, with the principal annual payments not over 1½ percent, totaling not over 3 percent per year, over a period of from 45 to 50 years, you will find that these same investors will be glad to invest in the same, and save from pollution the stream that gives to us the only pure water of economic faith existing in this country.

Mr. Speaker, I have studied the Lemke bill, that has passed out of the Agricultural Committee, and which the Rules Committee refuses to give a ruling on, thereby giving the membership an opportunity to vote on it, and in my humble opinion it is the best method of refinancing the farm mortgages that I can conceive of.

I want to plead with the membership to urge the Rules Committee to give us a rule on this bill and let us vote on it. It is said the President opposes it, but I do not believe so, because our President is not going to oppose constructive legislation, and especially that which is as all important as this.

I am a born Democrat and intend to follow the Democratic Party as long as I live. I am for Franklin D. Roosevelt, was for him at the last convention, and am for him as a standard bearer of the Democratic Party this fall. I know his heart beats in unison with the common class of people; I know his whole soul and life is directed with a view of service to them; I know that he is sympathetic, and I know if this Congress will act on this one proposition and the membership will properly present it to him in a light that will show the necessity of it, I believe he will not oppose it.

Mr. Speaker, let me in a parting word say: You have driven up in your cars on many occasions to railroad crossings and have observed the words, "Stop, look, and listen." Thousands have adhered to these words and passed on and are enjoying the pleasures of life today; yet, there are many who did not adhere to the warning, and today they are resting in eternity we know not where.

Mr. Speaker, if we the membership do not heed these warning words; if we do not pass this legislation, legislation which is going to preserve this great Nation of ours, ours will be the last rose of summer economically, and that rose, the petals of which were once beautiful, will only be a fond reminiscence of that which could have been our lot for the asking.

SENATOR BORAH AND FOREIGN ENTANGLEMENTS

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. KNUTSON. Mr. Speaker, Senator WILLIAM E. BORAH has a consistent record on the side of peace and against war. Every American knows that Senator BORAH is opposed to all forms of entangling alliances that might involve us in Old World disputes. He has ever been fearless and outspoken in trying to keep the United States out of war, and particularly out of European blood feuds and boundary disputes.

Back in 1916 he was almost politically crucified, along with Senators Gronna, La Follette, and Stone, as one of the "willful 12", by President Wilson because he was opposed to arming merchant ships, which would, and did, drag us into the World War. As we look back, he was right; but such was the propaganda and clamor of the war profiteers, he had to stand against the rising tide of popular opinion and resentment. Today the Congress would, by an overwhelming vote, refuse to permit our merchant ships to be armed. Senator BORAH stood out against the espionage law when few voices dared to express any kind of opposition at a time the propagandists of hate saw a German spy under every bed.

Once we entered the war, he supported all war measures to attain victory. But after the armistice was signed and our troops had been brought home he led the fight against the League of Nations and the Versailles Treaty. He saw that the Versailles Treaty was conceived in hate, cupidity, and revenge, contrary to the armistice terms, and put into effect by compulsion. He battled without giving or receiving quarter against American participation in both the League and the Versailles Treaty. His actions were overwhelmingly ratified by the American people, and time and current events have given additional endorsements. His voice is again being raised to warn our people to keep out of the quarrel over the reentry of German troops into the Rhineland. President Roosevelt tried a year ago to get power from Congress to determine the aggressor nation, a sure way to become involved in war, but failing to get it, insisted on being given

power to lay economic sanctions against warring nations. Again Senator BORAH helped to block this attempt of the New Deal administration to involve us in foreign intrigues, boundary disputes, war sanctions, and commitments. The Senator has been the champion and tribune of the American people who want to mind their own business and to keep out of all foreign wars and entanglements. He opposed the cancellation of the war debts and only lately suggested the reopening of the war-debts question in order to pay the adjusted-service certificates to World War veterans, which he voted for.

He was the American author of the Briand-Kellogg pact to outlaw war as an instrument of national policy except for defensive purposes, which over 50 nations have ratified, and for the first time in history war was outlawed or delegatized. It may be only a deterrent against war, but at that it constitutes a great bloodless revolution and a step in the direction of peace.

After the World War the Senator opposed the confiscation of German or alien property as being contrary to the accepted principle of international law and was instrumental in having most of the alien property returned. He likewise supported the bill introduced in Congress in 1924 by Representative HAMILTON FISH, of New York, providing for \$10,000,000 to buy foodstuffs for the relief of starving women and children in Germany.

Senator BORAH's family settled in Pennsylvania before the Revolutionary War. His great-grandfather, Jacob Borah, served in a Pennsylvania regiment under Washington. His family moved to a farm in southern Illinois around 1820, and have lived there ever since as substantial farmers and leading citizens. If he is nominated on the Republican ticket for President, he will have a tremendous appeal to the millions of people of German origin in the United States, particularly in such States as Wisconsin, Illinois, North Dakota, and Minnesota, which may be difficult for any Republican to carry this fall. If elected, he would be the first native son of the great State of Illinois to reach the White House. Both Grant and Lincoln lived in Illinois, but neither was born there. The people of Illinois have an opportunity in the primaries to be held on April 14 to nominate Senator BORAH, who was born near Fairfield, Wayne County, and lived there until early manhood, for the highest office within the gift of the people. If they succeed in nominating Senator BORAH for the Presidency, he will be elected, as he has the confidence of the people and is one Republican candidate who can attract the liberal and diverse elements that have left the Republican Party in recent years.

ELECTION CONTEST—LOCKE MILLER VS. JOHN G. COOPER

Mr. KERR. Mr. Speaker, I call up House Resolution 438. The Clerk read as follows:

House Resolution 438

Resolved, That Locke Miller is not entitled to a seat in the House of Representatives of the Seventy-fourth Congress from the Nineteenth District of the State of Ohio.

Resolved, That John G. Cooper is entitled to a seat in the House of Representatives of the Seventy-fourth Congress from the Nineteenth District of the State of Ohio.

Mr. KERR. Mr. Speaker, I move the previous question on the adoption of the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to, and a motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. BANKHEAD. Mr. Speaker, I desire to submit a unanimous-consent request.

I ask unanimous consent that on Monday, April 13—that being Jefferson's birthday—immediately after the reading of the Journal and disposition of matters on the Speaker's table, the gentleman from New York [Mr. BOYLAN], who is Chairman of the Thomas Jefferson Memorial Commission, may be allowed to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

Mr. RICH. Reserving the right to object, I would like to ask the gentleman if there will be anything said about the spending of the \$30,000,000 to make a second memorial in the city of St. Louis to Thomas Jefferson?

Mr. BANKHEAD. I will state to the gentleman that the gentleman from New York [Mr. BOYLAN] has not yet submitted a manuscript to me of his speech on that occasion, and I cannot inform the gentleman.

Mr. RICH. The Public Works Administration has authorized the spending of \$30,000,000 more—

The regular order was demanded.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. BANKHEAD]?

There was no objection.

REPORT OF THE UNITED STATES CONFERENCE OF MAYORS

Mr. BANKHEAD. Mr. Speaker, I desire to submit another unanimous-consent request. It is rather unusual for me to ask permission of this sort, but there was recently held in the city of Washington a conference of about 100 of the mayors of the largest cities of the country—Republican, Democratic, Socialist, and otherwise. They made a report of their findings with reference to anticipated needs for relief, to come up shortly before the Congress upon recommendations from the President. It is a rather brief document, and I ask unanimous consent that, for the information of all Members on both sides of the House, this statement may be incorporated in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. BANKHEAD. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

A REPORT PREPARED BY THE UNITED STATES CONFERENCE OF MAYORS AND SUBMITTED TO THE PRESIDENT OF THE UNITED STATES BY HON. F. H. LAGUARDIA, MAYOR OF NEW YORK CITY, PRESIDENT, UNITED STATES CONFERENCE OF MAYORS, ON MARCH 12, 1936

SECTION I

Part 1

The time has come when the United States Conference of Mayors, on behalf of the larger cities of the United States, feels it necessary to report on a comprehensive basis on the Federal W. P. A. program. There has been a great deal of promiscuous and misinformed talk recently concerning the character of the work being conducted under the W. P. A. Since the major cities of the Nation are sponsors for the largest and most important W. P. A. projects now under way, we are anxious to put a true picture before the American people as to what has been accomplished through the W. P. A. program.

The integrity and permanent usefulness of the city projects which have been approved by the Federal Government need no apology from anyone. Nor do the cities ask the Government or the President to defend the W. P. A. work which is being assisted by Federal funds. These projects are the cities' own projects. All the Government has done is to approve or disapprove what the cities have submitted.

As chief executives of these major cities, we are of the opinion that any honest and impartial analysis of the work being prosecuted in the important cities of the country will reveal that practically every project represents a useful and, in most cases, a permanent public improvement. Secondly, there remain a multitude of additional useful things to be done under future work programs. And finally, it is apparent that the city officials of America will never consent to the abandonment of the work principle in giving relief assistance. The dole, based upon idleness and groceries, has no place in our American scheme of society.

Part 2

The mayors and executives of our cities are more intimately and responsibly concerned with unemployment and destitution than any other group of public officials in America. This was always true, even in the days when private charity was called upon to meet most of the needs.

Since the depression, the seriousness of the problem of unemployment and destitution has transcended all other problems in its importance to city executives. The total expenditures in some cities, including Federal and State contributions, for the relief of unemployment and destitution have exceeded the aggregate of the operating budgets of these cities.

City officials are held personally responsible by their constituents for the prevention of privation and suffering, for the maintenance of order, and the protection of property. These responsibilities are inextricably associated with one another.

City executives do not depend upon tabulations of figures and reports of case workers for their knowledge of these problems. Physically, not statistically, they come face to face with haggard and desperate men and women, and with the pitiful appeal of hungry children. In the days before they had Federal aid in meeting their problems, they had thrust upon them on several occa-

sions the terrible and tragic duty of using force to restrain the angry riots of their own hungry and hopeless citizens.

The mayors of our cities are concerned with national policies as they relate to unemployment and destitution only to the extent that these policies may affect the manner in which they have to meet in their respective cities their own pressing problems of relieving destitution, maintaining order, and protecting property.

Wholly in the interest of safeguarding the welfare of the cities, the United States Conference of Mayors, consisting of most of the principal cities of America, has undertaken to obtain from the mayors and officials of over 100 major cities unbiased and objective opinions on the three basic questions having to do with the relief of unemployment and destitution.

The questions propounded were:

- (1) Is work the proper method of meeting the unemployment problem as compared to the dole and idleness?
- (2) Are we doing useful work under the W. P. A. program?
- (3) Would there be useful work yet to be done under a continued W. P. A. program?

The results of this survey of the leading cities of the country constitute an amazing unanimity of opinion on the part of the responsible officials actually on the firing line of the battle against destitution and unemployment. Out of over 100 opinions expressed by the city executives queried, but one reply to all of the three questions varied in substance from the others. Only this one reply expressed some doubt as to whether or not there could be developed sufficient additional useful projects to keep the destitute unemployed busy for another year.

To the question:

1. "Do the unemployed want work or the dole?"

The following two replies are typical of a unanimous opinion expressed by all of the cities covered in the survey:

"They do not want charity";
 "They do want employment";

"They do want to earn the money they obtain";

"They do want to spend their money as they see fit" (city of Chicago);

And

"We all know the great social benefits that a community derives by keeping the minds and bodies of the unemployed employed at some useful endeavor until they can once again return to work in private industry without degeneration of their moral and physical fiber" (city of Detroit).

In answer to the question:

2. "Are we doing useful work under the W. P. A. program?"

The following typical statements were given:

"I cannot make it too emphatic that all of these are not only useful but absolutely necessary projects" (city of Newark).

Another:

"At the outset I must state that every project now in force in this city is, in my opinion, a worth-while, useful, essential, community-enriching work; and as far as this municipality is concerned, the improvements could not have been made by the city alone without Federal aid. This city itself is being materially benefited by reason of having its schools, city hall, fire houses, and streets repaired and placed in a usable, first-class condition. The money expended is not being wasted; instead it is being used on projects which are necessary, essential, and worth while" (city of Hoboken).

Another:

"I should like to go on record concerning the W. P. A. work being done in our city as being not only useful and community-enriching work but also that the same was the result of deliberations and studies made by our city planning commission covering a period of some twenty-odd years. In these studies the planning commission had the advice of our foremost city planners, and everything undertaken was for the community's improvement" (city of Allentown).

And—

"I am pleased to advise you that it has been our rule to not approve the carrying on of any work, whether it be under C. W. A., F. E. R. A., or W. P. A., in this city unless such projects were proven to me by the heads of the various departments in our city to be of value. As you are aware, we are a party to this program and are spending considerable money in the way of contributions, and I therefore feel it my duty to endeavor to see that we get the most value for the money spent, both from that donated by the local government as well as from the Federal Government" (city of Highland Park, Mich.).

The following quotations are typical answers to the question of:

3. "Would there be useful work yet to be done under a continued W. P. A. program?"

"As far as the city of Milwaukee is concerned, there would be no need of submitting any additional projects to continue the program for at least another year. All of the projects so far submitted have been carefully considered and everyone is useful and worth while. Assuming that all of the \$5,138,421 that has so far been allotted to the city of Milwaukee for W. P. A. projects for operations up to April 1, 1936, will be spent by that date, the city of Milwaukee could do work to the extent of approximately \$42,000,000 more, which is the difference between the total of the Federal funds required to do all of the projects submitted and the \$5,138,421 allotted up to the present time" (city of Milwaukee).

And—

"There are other projects of as much value and importance to the community yet to be undertaken during the next fiscal year as those which have been accomplished under Federal aid during the past 2 years. These new projects comprehend additional con-

struction of sewers, repair of storm-drainage systems, etc., reconstruction of earthquake-damaged public buildings, including 12 fire stations and five branch libraries, elimination of traffic hazards, construction of bridges, and other projects of equal value and importance" (city of Long Beach).

And—

"We have worthy projects already filed and approved sufficient to occupy the unemployed for another 2 years" (city of Oklahoma City).

Part 3

The above are indicative of the statements filed by approximately 100 cities and included in the body of this report. This information should serve to demonstrate to the President, to Congress, to the Federal W. P. A., and to the people of the country three basic and fundamental facts:

1. Work, and not the dole, is the American way of meeting the relief problem.
2. The W. P. A. projects now in operation constitute valuable and useful public improvements of a permanent character.
3. We have really only begun to find and develop community projects of lasting value to the citizens of American cities.

Part 4. Criticisms of the program

Of course, the cities are not entirely satisfied with the present W. P. A. program. The criticism most frequently voiced is that "not enough people have been put to work." In other words, the plea is made that quotas for every city should be increased so that every employable person is given a job instead of the dole. This is a problem which only Congress can answer, since the number of persons to be employed depends upon the amount of money made available by the Federal Government. Such a criticism is no indictment of the principles behind the work program.

Secondly, there is some feeling on the part of cities that more authority should be vested in the local governments in the conduct of the W. P. A. program. This is an administrative matter which the conference will submit to the proper officials as soon as additional appropriations for the W. P. A. are voted by Congress.

Lastly, there is in our opinion an important criticism that the various Federal programs in the past have not had the element of continuity of operation. It is for that reason that the conference of mayors is urging an appropriation adequate and sufficient to enable the W. P. A. to carry out a full year's program beginning July 1 next. This will make possible the planning of projects over a whole 12 months' period.

There follows, herewith, detailed and supporting data from municipalities in every section of the United States.

PERMISSION TO ADDRESS THE HOUSE

Mr. FERGUSON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. FERGUSON. Mr. Speaker, my colleague, the gentleman from Oklahoma [Mr. NICHOLS] has prepared a letter to the President of the United States asking that the present enrollment of the C. C. C. camps be kept at 500,000. Some 250 Members of the House have signed this petition. We would like to send it to the President tomorrow and would appreciate it very much if any of the Members who have not signed, but who desire to, will contact some of us who have these petitions in the cloak rooms. [Applause.]

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, with the unsettled conditions in Europe, with war clouds growing darker day by day, I desire to place in the RECORD at this time in the proceedings of Congress the amount of money which is being expended at the present time upon airports, under the Works Progress Administration, throughout this Nation. I therefore asked Mr. John S. Wynne, in charge of the airport section of the Bureau of Air Commerce, to compile the latest statistics for me showing the projects which are approved and now under way. The first work started in October of 1935. In each of the States, but not at the National Capital, W. P. A. funds are being used for construction and improvement, and I am informed that officials have under consideration for submission airway projects totaling additional expenditures of approximately \$1,200,000 for beacons, radio stations and intermediate fields on airways now established, but with aids incomplete.

Mr. Speaker, I ask unanimous consent to insert this valuable information in the RECORD at this point.

The **SPEAKER**. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The matter referred to follows:

Status of Works Progress Administration airport program as of Mar. 11, 1936

State	Approved by Bureau of Air Commerce		Under construction	
	Number of projects	Total Federal funds	Number of projects	Total Federal funds
Alabama.....	11	\$236,232.39	9	\$280,864.00
Arizona.....	11	294,480.89	1	92,915.00
Arkansas.....	19	236,218.63	4	42,217.00
California.....	56	6,508,982.00	24	2,785,480.00
Colorado.....	23	628,135.07	3	48,404.92
Connecticut.....	7	575,366.61	8	725,765.34
Delaware.....	3	12,142.50		
District of Columbia.....	1	70,000.00	1	208,756.00
Florida.....	79	1,671,700.19	48	1,218,150.18
Georgia.....	30	970,104.70	20	833,191.70
Idaho.....	25	357,477.00	1	9,287.00
Illinois.....	11	2,684,604.73	4	2,666,813.23
Indiana.....	11	948,854.31	7	566,623.60
Iowa.....	5	116,601.14	3	81,701.14
Kansas.....	13	491,400.54	4	198,052.53
Kentucky.....	1	20,778.00		
Louisiana.....	7	244,515.36	2	41,288.00
Maryland.....	3	668,864.45		
Maine.....	24	516,093.67	10	413,570.00
Massachusetts.....	14	829,298.75	2	653,044.00
Michigan.....	80	1,575,218.71	26	869,710.85
Minnesota.....	10	731,184.76	9	679,538.43
Mississippi.....	42	1,195,379.45	18	585,279.31
Missouri.....	15	695,310.45	6	490,888.00
Montana.....	43	292,071.51	8	184,804.41
Nebraska.....	3	501,295.83	2	476,803.83
Nevada.....	7	307,186.47		
New Hampshire.....	10	223,033.69	6	144,431.69
New Jersey.....	4	2,393,394.00	2	2,313,875.00
New Mexico.....	9	106,983.50	1	11,214.00
New York.....	17	3,942,647.67	13	3,432,544.67
North Carolina.....	12	820,260.00	7	659,793.00
North Dakota.....	9	56,517.50	3	16,895.50
Ohio.....	34	3,539,141.32	18	3,249,815.00
Oklahoma.....	6	280,120.50	1	4,430.00
Oregon.....	36	431,913.00	10	156,411.05
Pennsylvania.....	8	1,517,767.66	4	901,585.90
Rhode Island.....	1	53,946.00	1	53,946.00
South Carolina.....	15	900,603.35	7	749,606.95
South Dakota.....	13	236,544.50	4	142,093.00
Tennessee.....	11	1,882,519.00	4	1,373,219.00
Texas.....	29	1,051,467.49	8	244,454.11
Utah.....	16	355,254.70	5	194,168.75
Vermont.....	6	100,293.00	4	30,001.00
Virginia.....	18	413,665.94		
Washington.....	33	1,683,397.85	13	1,217,956.95
West Virginia.....	6	459,254.00	5	436,093.00
Wisconsin.....	13	425,280.00	4	379,071.00
Wyoming.....	12	222,205.00	2	91,062.00
	872	44,475,707.78	342	29,964,816.04

Mr. **RANDOLPH**. Mr. Speaker, I also want to bring to the attention of the Members of the House this further fact in connection with unsettled world conditions, and that is that in this Nation practically every concern manufacturing aircraft is located upon the coasts of the United States, and due to the danger from attack we should give serious consideration to the need for aircraft development inland.

In the next few days additional funds will be voted by Congress for work relief, and I am firmly of the opinion that an earmarked amount for airport construction should be made. Because of the national defense need and the permanent improvement, such projects are of unusual importance.

[Here the gavel fell.]

CONSIDERATION OF MEDICAL RECORDS OF OFFICERS BY NAVY SELECTION BOARDS

Mr. **MAAS**. Mr. Speaker, I ask unanimous consent to extend my remarks in the **RECORD**.

The **SPEAKER**. Is there objection?

There was no objection.

Mr. **MAAS**. Mr. Speaker, I have introduced a bill to prohibit the consideration by Navy selection boards of the medical records of officers under consideration for promotion.

The medical history of an officer has no proper place in determining his relative fitness for promotion to a next higher grade. If the laws and regulations of the Navy Department, pertaining to the physical condition of officers, are properly being enforced, it must be assumed that the officer is physically fit for the duties he is performing at all times.

The question of whether or not an officer is physically qualified for an advanced rank is one which should be decided upon by the medical authorities after an officer has been selected for promotion and is being examined medically to qualify for such promotion. It is then that it should be determined either that the officer is physically qualified for the advanced rank or that he is not qualified for military duty, in which case he should be retired for such physical disability as disqualifies him for such promotion.

Subsequently if it is found that an officer has been selected and promoted, having been certified by the medical examining board as to his suitability for such promotion, that his condition was such as not to warrant such certification, then the responsibility should be placed squarely upon the members of the board who under oath certified as to the officer's physical condition.

An officer is either fit for duty or he is not fit for duty as far as promotion is concerned, the higher the rank of an officer the less necessity for the rigid physical requirements. It is upon the younger officers that the most strenuous and arduous duties fall and with whom endurance for physical strain is essential. As officers get into the higher ranks their duties become more administrative and executive and it is experience and judgment rather than perfect physique that is necessary.

I feel certain that the enactment of this bill will do a great deal to improve the selection system of promotion in the Navy and Marine Corps. Selection at best is very faulty and unsatisfactory. The more complicated the selection system becomes the more the human equation enters into the consideration to defeat the very purpose of promotion by selection boards, the object of which was supposed to be rigid adherence to the principle of selection solely on the basis of merit as determined by the military proficiency of the officer and his record.

ADJOURNMENT OVER

Mr. **BANKHEAD**. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 12 o'clock noon on Monday next.

The **SPEAKER**. Is there objection to the request of the gentleman from Alabama?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted as follows:

To Mr. **MORITZ**, for 1 week, on account of official business.

To Mr. **CROWE**, for today, on account of official business.

To Mr. **ELLENBOGEN**, for 5 days, on account of illness.

To Mr. **KELLY** (at the request of Mr. **BEAM**), for 1 week, on account of illness.

ENROLLED JOINT RESOLUTIONS SIGNED

Mr. **PARSONS**, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. J. Res. 443. Joint resolution to amend Public Resolution No. 31 of the Seventy-fourth Congress, first session, approved June 17, 1935, so as to extend its provisions to cover the National Boy Scout Jamboree now scheduled to be held in 1937; and

H. J. Res. 514. Joint resolution authorizing the completion of certain records and operations resulting from the administration of the Kerr Tobacco Act, the Bankhead Cotton Act of 1934, and the Potato Act of 1935 (repealed), and making funds available for those and other purposes.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. **PARSONS**, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a joint resolution of the House of the following title:

H. J. Res. 514. Joint resolution authorizing the completion of certain records and operations resulting from the administration of the Kerr Tobacco Act, the Bankhead Cotton Act of 1934, and the Potato Act of 1935 (repealed), and making funds available for those and other purposes.

ADJOURNMENT

Mr. BANKHEAD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 50 minutes p. m.) the House, pursuant to its previous order, adjourned until Monday, March 16, 1936, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

707. Under clause 2 of rule XXIV, a communication from the President of the United States, transmitting estimates of appropriations for the Post Office Department for the fiscal year ending June 30, 1936, totaling \$40,581,250, and deficiency estimates for the fiscal year ended June 30, 1935, totaling \$119,500, aggregating in all \$40,700,750 (H. Doc. No. 424), was taken from the Speaker's table, referred to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. McSWAIN: Committee on Military Affairs. House Joint Resolution 501. Joint resolution authorizing the President of the United States to award a posthumous Congressional Medal of Honor to William Mitchell; with amendment (Rept. No. 2198). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. TERRY: A bill (H. R. 11790) to convey certain lands in the county of Pulaski, State of Arkansas, to the city of Little Rock, Ark.; to the Committee on Military Affairs.

By Mr. DEROUEN: A bill (H. R. 11791) to make available for national-park purposes certain lands within the area of the proposed Mammoth Cave National Park, Ky.; to the Committee on the Public Lands.

By Mr. FERNANDEZ: A bill (H. R. 11792) declaring Bayou St. John, in the city of New Orleans, La., a nonnavigable stream; to the Committee on Interstate and Foreign Commerce.

By Mr. GEARHART: A bill (H. R. 11793) to authorize a preliminary examination of various creeks in the State of California with a view to the control of their floods; to the Committee on Flood Control.

By Mr. HOBBS: A bill (H. R. 11794) to provide for loans to farmers to enable them to terrace or drain their lands; to the Committee on Agriculture.

By Mr. RISK: A bill (H. R. 11795) to reduce the rate of interest charged to home owners under the Home Owners' Loan Act of 1933; to the Committee on Banking and Currency.

By Mr. SOUTH: A bill (H. R. 11796) to authorize the establishment of the American Legion National Cemetery of Texas at Legion, Tex.; to the Committee on Military Affairs.

By Mr. WERNER: A bill (H. R. 11797) to authorize the reexamination of claims filed under the act of May 3, 1928, and to construe said act; to the Committee on Indian Affairs.

Also, a bill (H. R. 11798) to authorize the Secretary of the Interior to investigate and report on the loss of title to or the encumbrance of lands allotted to Indians; to the Committee on Indian Affairs.

By Mr. DEROUEN: A bill (H. R. 11799) to repeal the proviso of the act of May 18, 1928 (ch. 626, 45 Stat. 603), making additions to the Absaroka and Gallatin National Forests and improving and extending the winter-feed facilities of the elk, antelope, and other game animals of Yellowstone National Park and adjacent land, and for other purposes; to the Committee on the Public Lands.

By Mr. KNUTE HILL: A bill (H. R. 11800) to reimpose a trust on certain lands allotted on the Yakima Indian Reservation; to the Committee on Indian Affairs.

By Mr. McSWAIN: A bill (H. R. 11801) providing for the appointment of additional cadets at the United States Military Academy; to the Committee on Military Affairs.

By Mr. MANSFIELD: A bill (H. R. 11802) to amend section 1 of the act entitled "An act to give wartime rank to retired officers and former officers of the Army, Navy, Marine Corps, and/or Coast Guard of the United States", approved June 21, 1930; to the Committee on Military Affairs.

By Mr. MERRITT of New York: A bill (H. R. 11803) to authorize the enlargement of Governors Island and consenting to the use of a portion thereof as a landing field for the city of New York and its environs; to the Committee on Military Affairs.

By Mr. PLUMLEY: A bill (H. R. 11804) to authorize the acquisition of land for military purposes at Fort Ethan Allen, Vt.; to the Committee on Military Affairs.

By Mr. SCRUGHAM: A bill (H. R. 11805) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and render final judgment on any and all claims of whatsoever nature the Snake or Piute Indians of the former Malheur Indian Reservation in Oregon, or any band or group thereof, may have against the United States, and for other purposes; to the Committee on Indian Affairs.

By Mr. SEGER: A bill (H. R. 11806) to authorize a preliminary examination of Passaic River, N. J., with a view to the control of its floods; to the Committee on Flood Control.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Commonwealth of Virginia, regarding the regulation and control of interstate advertising of distilled spirits; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 11807) granting a pension to Adele M. Troutman; to the Committee on Invalid Pensions.

By Mr. BOLAND: A bill (H. R. 11808) granting a pension to Joseph L. Chapman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11809) granting World War veterans' compensation to John Paszczuk; to the Committee on War Claims.

By Mr. CHRISTIANSON: A bill (H. R. 11810) for the relief of Asa J. Hunter; to the Committee on Claims.

By Mr. REECE: A bill (H. R. 11811) to authorize the presentation to Frank P. Lee of a Distinguished Service Cross; to the Committee on Military Affairs.

Also, a bill (H. R. 11812) granting a pension to Lizzie Dudley; to the Committee on Invalid Pensions.

By Mr. ROBSION of Kentucky: A bill (H. R. 11813) granting an increase of pension to Christopher Lewis; to the Committee on Invalid Pensions.

By Mrs. ROGERS of Massachusetts: A bill (H. R. 11814) granting a pension to Emma Dailey; to the Committee on Invalid Pensions.

By Mr. WELCHEL: A bill (H. R. 11815) to correct the military record of Newton F. Ray; to the Committee on Military Affairs.

Also, a bill (H. R. 11816) to correct the United States Coast Guard service of Jesse D. Gause; to the Committee on Naval Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10520. By Mr. HOOK: Petition of Wilbert Jutila and 11 other patrons of star route 37143, asking Congress to enact legislation that will extend all existing star-route contracts and increase the compensation thereon to an equal basis with that paid for other forms of mail transportation; to the Committee on the Post Office and Post Roads.

10521. By Mr. O'CONNELL: Resolution of the Town Council of Tiverton, endorsing the purposes and aims of the

national youth administration movement; to the Committee on Appropriations.

10522. By Mr. RISK: Resolution of the Rhode Island Nurserymen's Association, favoring the appropriation of \$3,000,000 by the Congress for the purpose of continuing the eradication of Dutch elm disease; to the Committee on Appropriations.

10523. Also, a resolution of the Rhode Island Arborists Association, favoring the appropriation of \$3,000,000 by the Congress for the purpose of continuing the eradication of Dutch elm disease; to the Committee on Appropriations.

10524. By Mr. SUTPHIN: Petition of the Board of Commissioners of the City of Long Branch, N. J., urging the continuance of the Works Progress Administration; to the Committee on Appropriations.

SENATE

MONDAY, MARCH 16, 1936

(Legislative day of Monday, Feb. 24, 1936)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, March 12, 1936, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hattigan, one of its reading clerks, announced that the House had passed a bill (H. R. 11691) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1937, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled joint resolution (H. J. Res. 443) to amend Public Resolution No. 31 of the Seventy-fourth Congress, first session, approved June 17, 1935, so as to extend its provisions to cover the National Boy Scout Jamboree now scheduled to be held in 1937, and it was signed by the Vice President.

CALL OF THE ROLL

Mr. LEWIS. I note the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	King	Pope
Austin	Costigan	La Follette	Radcliffe
Bachman	Couzens	Lewis	Reynolds
Bailey	Davis	Logan	Robinson
Barkley	Donahay	Loneragan	Russell
Benson	Duffy	Long	Schwellenbach
Bilbo	Fletcher	McAdoo	Sheppard
Black	Frazier	McGill	Shipstead
Bone	George	McKellar	Smith
Borah	Gerry	McNary	Stelwer
Brown	Gibson	Metcalf	Thomas, Okla.
Bulkeley	Glass	Minton	Thomas, Utah
Bulow	Gore	Moore	Townsend
Burke	Guffey	Murphy	Trammell
Byrd	Hale	Murray	Truman
Byrnes	Harrison	Neely	Tydings
Capper	Hatch	Norbeck	Vandenberg
Caraway	Hayden	Norris	Van Nuys
Carey	Holt	O'Mahoney	Wagner
Clark	Johnson	Overton	Wheeler
Connally	Keyes	Pittman	White

Mr. LEWIS. I announce that the Senator from Alabama [Mr. BANKHEAD] is absent because of illness, and that the Senator from Nevada [Mr. McCARRAN], the junior Senator from Massachusetts [Mr. COOLIDGE], the Senator from Connecticut [Mr. MALONEY], the Senator from New Mexico [Mr. CHAVEZ], the senior Senator from Massachusetts [Mr. WALSH], and my colleague the junior Senator from Illinois [Mr. DIETRICH], are unavoidably detained from the Senate.

Mr. AUSTIN. I announce that the Senator from New Jersey [Mr. BARBOUR] and the Senator from Iowa [Mr. DICKINSON] are necessarily absent.

Mr. TOWNSEND. I announce that my colleague the junior Senator from Delaware [Mr. HASTINGS] is necessarily absent.

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

SIGNING OF AN ENROLLED JOINT RESOLUTION DURING RECESS

The VICE PRESIDENT announced that under authority granted by the Senate on the 12th instant, on Friday, March 13, 1936, he signed the enrolled joint resolution (H. J. Res. 514) authorizing the completion of certain records and operations resulting from the administration of the Kerr Tobacco Act, the Bankhead Cotton Act of 1934, and the Potato Act of 1935 (repealed), and making funds available for those and other purposes, which joint resolution had previously been signed by the Speaker of the House of Representatives.

ARKANSAS, 1836-1936—A STUDY OF ITS GROWTH AND CHARACTERISTICS

Mr. ROBINSON. Mr. President, I ask that the document herewith presented, entitled "Arkansas, 1836-1936—A Study of Its Growth and Characteristics, in Observance of Its Centenary, 1936", be referred to the Committee on Printing with a view to having it printed as a Senate document.

The VICE PRESIDENT. Without objection, the document will be referred to the Committee on Printing.

PROCEEDINGS OF AMERICAN INSTRUCTORS OF THE DEAF

The VICE PRESIDENT laid before the Senate the report of the proceedings of the twenty-ninth meeting of the convention of American Instructors of the Deaf, submitted pursuant to law, which was referred to the Committee on Printing.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the Legislature of the State of Virginia, which was referred to the Committee on Interstate Commerce:

Whereas the Alcoholic Beverage Control Board, although authorized by the Alcoholic Beverage Control Act to make rules and regulations concerning the advertisement of alcoholic beverages in Virginia, is without power to regulate interstate advertising of such beverages through the press and by means of other agencies: Now, therefore,

Resolved by the Senate of Virginia (the house of delegates concurring), That the Congress of the United States be, and it is hereby memorialized to enact such legislation as will provide for the adequate regulation and control of interstate advertising of distilled spirits; and that a copy of this resolution be promptly transmitted by the clerk of the senate to the presiding officers of the Senate and to each Member of the Congress of the United States from Virginia.

The VICE PRESIDENT also laid before the Senate a resolution adopted by the Board of County Commissioners of Ward County, N. Dak., favoring the adoption of the so-called Townsend old-age revolving pension plan, which was referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by Local No. 2673, United Brotherhood of Carpenters and Joiners of America, of Anacortes, Wash., protesting against alleged discrimination against union members of the Works Progress Administration, and favoring the reinstatement of discharged workers, which was referred to the Committee on Education and Labor.

He also laid before the Senate a letter in the nature of a petition from Charles M. Green, of Lynn, Mass., praying for an inquiry into the receivership and proposed reorganization of the Amoskeag Manufacturing Co., which was referred to the Committee on the Judiciary.

Mr. COPELAND presented a resolution adopted by the General Organization of the New Lots Evening High School, of Brooklyn, N. Y., favoring a continuance of aid to needy students of educational institutions, which was referred to the Committee on Education and Labor.

He also presented a petition of sundry citizens of the State of New York, praying for the enactment of Senate bill 1632, providing for the regulation of commerce by water carriers, which was ordered to lie on the table.

He also presented a memorial of sundry citizens of the State of New York, remonstrating against the enactment of